

State of Alaska FY2010 Governor's Operating Budget

Department of Revenue Performance Measures

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Department of Revenue

Mission

The mission of the Department of Revenue is to collect, distribute and invest funds for public purposes.

Core Services

- Coordination, development and promotion of programs for collection and investment of public funds
- Formulation of specific recurring revenue sources
- Provide controls and enforcement for the collection, investment and payment of funds for the following: Tax Division, Treasury Division, Permanent Fund Dividend Division, and Child Support Services Division
- Provide administrative support for the following authorities, boards, and corporations: Alaska Retirement Management Board; Alaska Mental Health Trust Authority; Office of the Long-term Care Ombudsman; Alaska Municipal Bond Bank Authority; Alaska Natural Gas Development Authority; Alaska Housing Finance Corporation; and Alaska Permanent Fund Corporation.

End Result	Strategies to Achieve End Result
<p>A: Maximize compliance with current tax and gaming statutes.</p> <p><u>Target #1:</u> Percentage of taxes collected compared to taxes due between 92% and 98%.</p> <p><u>Status #1:</u> Taxes collected compared to taxes due has been between 96% and 105% in the past five years and in FY2008 was 98.5%. This measure is not indicative of our compliance efforts as it is skewed by the fact that our largest taxpayers are paying their taxes, but smaller taxpayers may not be. This measure will be changed in FY2009 to better reflect the compliance of our entire taxpayer base across all tax types.</p> <p><u>Target #2:</u> 90% of existing taxpayers file their tax returns and make tax payments timely. This is a new target; data will be reported at the end of FY2009.</p> <p><u>Status #2:</u> Not Available</p>	<p>A1: Increase tax audit coverage (audit activities improve compliance and revenue).</p> <p><u>Target #1:</u> Open 20 new audit cases (taxpayers that have not been audited by us in the prior five years).</p> <p><u>Status #1:</u> Seventy-eight new audit cases were opened in FY2008 due to an increase in audit staff. These audits will be worked throughout FY2009 in addition to maintaining a target of 20 new audits for that year.</p> <p>A2: Increase voluntary tax compliance from identifying non-filers.</p> <p><u>Target #1:</u> Find 30 non-filers through compliance work.</p> <p><u>Status #1:</u> Approximately 309 new taxpayers were identified in FY2008. Most of the new taxpayers were identified through compliance work in the mining license tax. In FY2009 our focus will be on the number of compliance activities conducted versus the number of new taxpayers identified.</p>
End Result	Strategies to Achieve End Result
<p>B: Maximize the value of the funds under the stewardship of the Treasury Division.</p> <p><u>Target #1:</u> For the funds under the fiduciary responsibility of the Commissioner of Revenue, exceed the applicable 1-year target returns.</p> <p><u>Status #1:</u> During FY2008, returns for 2 of the 9 funds under the fiduciary responsibility of the Commissioner of Revenue exceeded the applicable 1-year target returns.</p>	<p>B1: Portfolio Investment Officer staff is continually upgraded in experience and education.</p> <p><u>Target #1:</u> Increase average longevity of the investment officers to 5 years.</p> <p><u>Status #1:</u> The average longevity of the Treasury investment officers during FY2008 was 4.2 years, a reduction from the prior year due to staff turnover.</p> <p><u>Target #2:</u> At least 4 investment staff will have their</p>

	Chartered Financial Analyst (CFA) designation. Status #2: In FY2008, five members of the Treasury investment staff have their Chartered Financial Analyst designation. This exceeds the Treasury Division's target of four.
End Result	Strategies to Achieve End Result
<p>C: All eligible Alaskans, whose applications are not on appeal, receive their Permanent Fund Dividend (PFD) in October or November.</p> <p>Target #1: 100% of eligible applicants not on appeal are paid in October (by direct deposit) or November (by warrant).</p> <p>Status #1: 98.9% of eligible Permanent Fund Dividend applicants not on appeal were paid in October (by direct deposit) or November (by warrant) for the 2007 dividend payment.</p>	<p>C1: Provide PFD staff with needed training to perform effectively.</p> <p>Target #1: 100% of new staff receive standardized training within first three months of employment with PFD.</p> <p>Status #1: During 2007, 100% of new staff received standardized training within the first three months of employment with PFD.</p> <p>C2: Maximize use of PFD staff for eligibility and public response throughout the cycle.</p> <p>Target #1: 100% of non-managerial eligibility staff are cross-trained to work in all functional areas of eligibility and public response.</p> <p>Status #1: During 2007, 100% of non-managerial eligibility staff were cross-trained to work in all functional areas of eligibility and public response.</p> <p>C3: Increase use by the public of PFD online filing and applicant support services.</p> <p>Target #1: Increase the percentage of PFD applications filed online each year.</p> <p>Status #1: During 2008, 70.7% of PFD applications were filed online, an increase of 4.1% over the previous year.</p>
End Result	Strategies to Achieve End Result
<p>D: Collection and distribution of child support due to the children served by Child Support Services Division.</p> <p>Target #1: Increase collections by 3%, net of Permanent Fund Dividend collections.</p> <p>Status #1: FY2008 collections net of Permanent Fund Dividends increased 3.25% over FY2007.</p>	<p>D1: Improve the environment necessary for increased child support collections.</p> <p>Target #1: Ensure that paternities established are at least 100%.</p> <p>Status #1: The percentage of paternities established in FFY08 was 95%, an increase of 4% from the prior year.</p> <p>Target #2: Increase cases with orders to 93.5%.</p> <p>Status #2: The division has increased cases with orders by 0.2% over the prior fiscal year.</p> <p>Target #3: Increase current collections to 56%.</p> <p>Status #3: Current collections for FFY08 are at 58.1%, an increase from the prior year of 1.5%.</p> <p>Target #4: Increase number of cases with arrearage collections to 71%.</p>

	<p>Status #4: The percentage of cases with collections on arrearages for FFY08 was 67.9%, an increase from the prior year by 1%.</p> <p>Target #5: Ensure that the cost effectiveness ratio is at least \$4.10.</p> <p>Status #5: The cost effectiveness ratio for FFY08 is \$4.75, an increase of \$0.34 from the prior year.</p> <p>Target #6: Reduce cases with no collections for one year or more to 12% or less of cases eligible for collections.</p> <p>Status #6: Cases with no collections for one year or more was 11.78% in FY2008, a decrease of 0.45% from FY2007.</p>
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Major Activities to Advance Strategies

- **TAX DIVISION:**
- Enforce tax compliance through audit; focus tax examination activity on high risk returns and errors; and streamline the tax examination process.
- **TREASURY DIVISION:**
- Define roles of potential new asset class managers; perform adequate due diligence; and automate download of accounting data.
- **PERMANENT FUND DIVISION:**
- Cross train staff to work in multiple functional areas and allocate staff across unit lines to address peak workload.
- **CHILD SUPPORT SERVICES:**
- Improve communications, processes and interface with other states; and establish and train a special collections unit.
- Establish paternity; inform obligees of accurate amounts due; and locate employers and assets of non-custodial parents.

FY2010 Resources Allocated to Achieve Results

FY2010 Department Budget: \$270,142,600

Personnel:

Full time	867
Part time	41
Total	908

Performance

A: Result - Maximize compliance with current tax and gaming statutes.

Target #1: Percentage of taxes collected compared to taxes due between 92% and 98%.

Status #1: Taxes collected compared to taxes due has been between 96% and 105% in the past five years and in FY2008 was 98.5%. This measure is not indicative of our compliance efforts as it is skewed by the fact that our largest taxpayers are paying their taxes, but smaller taxpayers may not be. This measure will be changed in FY2009 to better reflect the compliance of our entire taxpayer base across all tax types.

Taxes Collected Compared to Taxes Due

Fiscal Year	% of Taxes Collected
FY 2008	98.5%
FY 2007	105.4%
FY 2006	96.0%
FY 2005	98.6%
FY 2004	99.7%

Analysis of results and challenges: This percentage is driven primarily by payment of taxes due by Alaska's largest taxpayers and is not indicative of the Division's compliance efforts or taxpayers' compliance with Alaska's tax laws as a whole. Without the ability to reasonably estimate the amount of unreported taxes due to the state and without looking at the entire taxpayer base, this percentage is meaningless as a way to measure the Division's compliance efforts. In FY 2008, most of the largest taxpayers who account for the greatest percentage of the state's revenue paid taxes owed to the state. Although slightly outside the target range, the division met the FY2008 goal. However, as stated above, this does not provide any feedback regarding our compliance activities. As such, the Division will reassess this performance measure for FY 2009 and future years and come up with a more realistic and meaningful method of measuring our success in tax and gaming compliance.

Target #2: 90% of existing taxpayers file their tax returns and make tax payments timely. This is a new target; data will be reported at the end of FY2009.

Status #2: Not Available

Analysis of results and challenges: The Tax Division's primary function is to encourage voluntary compliance by all taxpayers across all tax programs. This is achieved in a variety of ways, i.e. taxpayer education and outreach programs, compliance activities where we actively look for nonfilers, and collection activities. Taxpayers are more apt to voluntarily comply if they believe that everyone else is paying their fair share and the Division makes it relatively easy to file returns and pay taxes. As such, the most effective way to measure our performance is to look at the percentage of known taxpayers who timely file their returns and pay their taxes.

A1: Strategy - Increase tax audit coverage (audit activities improve compliance and revenue).

Target #1: Open 20 new audit cases (taxpayers that have not been audited by us in the prior five years).

Status #1: Seventy-eight new audit cases were opened in FY2008 due to an increase in audit staff. These audits will be worked throughout FY2009 in addition to maintaining a target of 20 new audits for that year.

Number of New Audit Cases Opened

Fiscal Year	# of Audit Cases
FY 2008	78
FY 2007	42
FY 2006	5
FY 2005	14
FY 2004	7

Analysis of results and challenges: The Tax Division maintains 100% coverage in oil and gas income and production taxes (and new oil and gas audit subjects are not included in this measure). An audit presence in each of the other tax types improves long-term voluntary compliance as well as generates new audit revenues. Furthermore, once established, audit generated revenues tend to recur as taxpayers modify their reporting to become consistent with the audit findings. Not included in the new audit count are audits of exploration tax credit claims by existing taxpayers. These audits do not meet our definition of "new audits" although they represent new and expanded audit efforts by the division. We exceeded our goal in FY 2008 as a result of new and stable audit staff in the Corporate and Excise tax units. We also limited the scope on several audits, choosing to look at several taxpayers with similar audit issues as opposed to conducting a full audit of a few taxpayers. Limited scope audits not only allow us to audit more taxpayers, but they also allow us to focus on audit issues that have a greater return to the State.

We view twenty new audit subjects annually as an appropriate target and this remains our goal for FY2009.

A2: Strategy - Increase voluntary tax compliance from identifying non-filers.

Target #1: Find 30 non-filers through compliance work.

Status #1: Approximately 309 new taxpayers were identified in FY2008. Most of the new taxpayers were identified through compliance work in the mining license tax. In FY2009 our focus will be on the number of compliance activities conducted versus the number of new taxpayers identified.

New Filers through Compliance

Fiscal Year	# of New Filers
FY 2008	309*
FY 2007	977*
FY 2006	900*
FY 2005	45
FY 2004	38

*Methodology: *Internet tobacco tax compliance project yielded 700 new taxpayers in FY2006 and 868 new taxpayers in FY2007. In FY2008, we discovered several hundred additional tobacco tax taxpayers. However, those taxpayers are not included in the FY2008 numbers as this is an ongoing project that continues to find new taxpayers each year and skews the target for other tax types.*

Analysis of results and challenges: The Tax Division encourages voluntary compliance as the most effective tool for collecting tax revenues. An important aspect of voluntary compliance is for taxpayers to believe that they are paying about the same amount in taxes as other similarly situated taxpayers. Seeking out and finding new taxpayers and bringing them into compliance assists revenue both in long-term voluntary compliance as well as bringing in the revenues from the new taxpayers. The division does not believe there are any major oil and gas taxpayers not filing, but we are pursuing the tax types that constitute the other 20% of its revenue responsibilities. This target and measure does not include federal or multi-state compliance programs in which we currently participate.

In FY2007 and FY2008, we conducted a major taxpayer education and compliance effort with the assistance of the Department of Natural Resources in the mining license tax program. Our efforts resulted in over 250 new taxpayers in this tax type in FY2008. Although identifying non-filers is an important function of the Division, the number of non-filers identified is not as important as the number of compliance projects initiated. Therefore, in the future, our goal will be to initiate a specific number of compliance projects as opposed to generating new taxpayers.

B: Result - Maximize the value of the funds under the stewardship of the Treasury Division.

Target #1: For the funds under the fiduciary responsibility of the Commissioner of Revenue, exceed the applicable 1-year target returns.

Status #1: During FY2008, returns for 2 of the 9 funds under the fiduciary responsibility of the Commissioner of Revenue exceeded the applicable 1-year target returns.

One-year Return Data for Funds Managed by the Treasury Division

Fiscal Year	Fund	Actual Return	Target Return
FY 2008	Gen Fund/Other Non-segregated F	5.85%	6.47%
FY 2008	AK Children's Trust Fund	(8.83%)	(8.34%)
FY 2008	Public School Trust Fund	(2.75%)	(1.99%)
FY 2008	Int'l Airports Revenue Fund	6.92%	7.91%
FY 2008	Const Budg Resv Fund-Main Acc	6.60%	7.54%
FY 2008	Const Budg Resv Fund-Sub Acc	(10.67%)	(4.74%)
FY 2008	Retirement Hlth Ins Fund-Longter	(5.83%)	(6.10%)
FY 2008	Retirement Hlth Ins Fund-Maj Med	2.71%	3.16%
FY 2008	Power Cost Equalization Fund	(4.79%)	(5.50%)

Methodology: FY2008 one-year return data is for the period 7/1/2007 through 6/30/2008.

Analysis of results and challenges: A combination of investments that is expected to produce the highest investment return for a given amount of risk is known as "point on the efficient frontier." Each fiduciary for a fund reviews points on the efficient frontier and selects the combination of investments consistent with their appetite for risk and returns of the fund. This selection is known as the target return.

Target returns assume the earnings of passively managed indexes invested in the same proportions as the assets at the corresponding point on the efficient frontier. A fund will exceed the target rate of return if the amount of money invested matches the asset allocation or are overweighted to higher earning assets at that point on the efficient frontier and the investment managers earn more than their benchmark index. Conversely, returns will be less if the manager underperforms their benchmark or if assets were not allocated to overweight higher performing asset classes.

In FY2008, Treasury securities were the higher performing asset class within the funds. Since the composition of assets within the funds managed included less Treasury securities than the benchmark targets, the funds managed had less earnings than the benchmark target.

B1: Strategy - Portfolio Investment Officer staff is continually upgraded in experience and education.

Target #1: Increase average longevity of the investment officers to 5 years.

Status #1: The average longevity of the Treasury investment officers during FY2008 was 4.2 years, a reduction from the prior year due to staff turnover.

Average Longevity of Investment Staff

Fiscal Year	Number of Years
FY 2008	4.2 years
FY 2007	4.6 years
FY 2006	3.8 years
FY 2005	2.8 years
FY 2004	2.6 years

Analysis of results and challenges: A seasoned investment staff contributes to improved investment performance. Over the past four years, investment performance relative to other public pension funds has markedly improved.

Target #2: At least 4 investment staff will have their Chartered Financial Analyst (CFA) designation.

Status #2: In FY2008, five members of the Treasury investment staff have their Chartered Financial Analyst designation. This exceeds the Treasury Division's target of four.

Number of Staff Holding CFA Designation

Fiscal Year	Number of Staff
FY 2008	5
FY 2007	5
FY 2006	4
FY 2005	4
FY 2004	3

Analysis of results and challenges: The Chartered Financial Analyst (CFA) designation takes a minimum of three years to obtain. Investment returns have steadily improved, as has the average longevity of the investment staff and their individual progress towards obtaining CFA designations.

C: Result - All eligible Alaskans, whose applications are not on appeal, receive their Permanent Fund Dividend (PFD) in October or November.

Target #1: 100% of eligible applicants not on appeal are paid in October (by direct deposit) or November (by warrant).

Status #1: 98.9% of eligible Permanent Fund Dividend applicants not on appeal were paid in October (by direct deposit) or November (by warrant) for the 2007 dividend payment.

Eligible Applicants Paid in October or November

Year	Percentage Paid
2007	98.9%
2006	99.6%
2005	96.0%
2004	94.0%
2003	93.7%

Methodology: Based on calendar year; 2008 data will be reported in January, 2009.

Analysis of results and challenges: The division exceeded the goal of 98% set for 2007. This can be attributed to additional increases in on-line filing, increased use of automation in processing, cross-utilization of staff, and implementation of the new Dividend Application Information System (DAIS II).

C1: Strategy - Provide PFD staff with needed training to perform effectively.

Target #1: 100% of new staff receive standardized training within first three months of employment with PFD.

Status #1: During 2007, 100% of new staff received standardized training within the first three months of employment with PFD.

Standardized Training of Staff Within First Three Months

Year	% of Staff Trained
2007	100%
2006	100%
2005	100%
2004	50%

Methodology: Based on calendar year; 2008 data will be reported in January, 2009.

Analysis of results and challenges: Standardized training was developed and implemented between December 2003 and January 2004. This training is proving to be effective for all staff and is updated with each session taught. All new employees were given this training in 2007.

C2: Strategy - Maximize use of PFD staff for eligibility and public response throughout the cycle.

Target #1: 100% of non-managerial eligibility staff are cross-trained to work in all functional areas of eligibility and public response.

Status #1: During 2007, 100% of non-managerial eligibility staff were cross-trained to work in all functional areas of eligibility and public response.

Staff Trained to Work in Other Functional Areas

Year	% of Staff
2007	100%
2006	100%
2005	100%
2004	75%

Methodology: Based on calendar year; 2008 data will be reported in January, 2009.

Analysis of results and challenges: The new PFD job classification scheme is based on cross-training of all technical staff. Unit lines were eliminated January 1, 2008. Eligibility and public response is being performed by all technicians, and each functional area (i.e. phones, email, eligibility) is being resource allocated according to division needs.

C3: Strategy - Increase use by the public of PFD online filing and applicant support services.

Target #1: Increase the percentage of PFD applications filed online each year.

Status #1: During 2008, 70.7% of PFD applications were filed online, an increase of 4.1% over the previous year.

Applicants Using Online Filing

Year	% of Online Filers	% Change from Prior Year
2008	70.7%	4.1%
2007	66.6%	9.5%
2006	57.1%	23.1%
2005	34.0%	8.8%
2004	25.2%	0.3%
2003	24.9%	10.9%
2002	14.0%	--

Analysis of results and challenges: The number of PFD applicants using online filing continues to increase annually.

D: Result - Collection and distribution of child support due to the children served by Child Support Services Division.

Target #1: Increase collections by 3%, net of Permanent Fund Dividend collections.

Status #1: FY2008 collections net of Permanent Fund Dividends increased 3.25% over FY2007.

Percent Change in Total Collections for a Fiscal Year

Fiscal Year	% Change
FY 2008	3.25%
FY 2007	3.66%
FY 2006	3.72%
FY 2005	1.92%
FY 2004	4.2%
FY 2003	6.2%

Analysis of results and challenges: FY2008 collections net of Permanent Fund Dividends increased 3.25% over FY2007. While this increase was more than projected, over \$1 million was the result of the one time federal economic stimulus program without which the increase would have only been 2.2%. This would represent a decrease from FY2007, the result of the difficulty in maintaining a stable workforce.

D1: Strategy - Improve the environment necessary for increased child support collections.

Target #1: Ensure that paternities established are at least 100%.

Status #1: The percentage of paternities established in FFY08 was 95%, an increase of 4% from the prior year.

Percentage of Paternities Established

Fiscal Year	% Established
FFY 2008	95%
FFY 2007	91%
FFY 2006	98%
FFY 2005	105%
FFY 2004	87%

Analysis of results and challenges: Percentage of paternities established is measured by the federal government by taking the number of children statewide with paternity established or acknowledged in the current fiscal year (3,829 in FFY08) divided by the number of children born out of wedlock statewide for the prior fiscal year (4,047 in FFY07), which is 95%.

The number of paternities established since FFY 2005 has decreased, however the number of cases in the division needing paternity established has also decreased. This indicates that contingent factors out of the division's control are contributing to this decline; for instance, if the cases are still working their way through the court system or there is no attempt made by the family to establish paternity.

Target #2: Increase cases with orders to 93.5%.

Status #2: The division has increased cases with orders by 0.2% over the prior fiscal year.

Percentage of Cases with Orders

Fiscal Year	Cases with Orders	Change from Prior Year
FY 2008	93.9%	0.2%
FY 2007	93.7%	0.5%
FY 2006	93.2%	0.9%
FY 2005	92.3%	7.6%
FY 2004	84.7%	3.7%

Analysis of results and challenges: A case is eligible for collection when a court or administrative order has been established. Collections cannot be made without a proper order in place. Establishing this quickly and effectively is one of the keys to a successful child support program. Reviewing and streamlining the division's process in establishing orders will aid in the timeliness of collecting and distributing child support. The division continues to

improve in this measure each year.

Target #3: Increase current collections to 56%.

Status #3: Current collections for FFY08 are at 58.1%, an increase from the prior year of 1.5%.

Percentage of Current Collections

Fiscal Year	% of Collections
FFY 2008	58.1%
FFY 2007	56.6%
FFY 2006	54.9%
FFY 2005	52.0%
FFY 2004	54.2%

Analysis of results and challenges: In addition to being a main component of any child support program, collecting current money due is crucial to the financial well-being of the children it is intended to benefit. Increased information systems for new hires with the federal government and Alaska employers will enhance our ability to streamline the withholding process, improving the overall ability to collect current support quickly.

Target #4: Increase number of cases with arrearage collections to 71%.

Status #4: The percentage of cases with collections on arrearages for FFY08 was 67.9%, an increase from the prior year by 1%.

Percentage of Cases with Arrearage Collections

Fiscal Year	% of Cases
FFY 2008	67.9%
FFY 2007	66.9%
FFY 2006	66.5%
FFY 2005	67.9%
FFY 2004	65.4%

Analysis of results and challenges: A higher concentration on cases with special collection needs will help the division to increase overall collections. CSSD, through a grant with the Department of Justice, assembled a team to focus on those cases that are hard to collect. This special collections program began in October, 2005 and ended in October, 2007. The division is continuing the important work of the special collections unit and we expect to continue to see improved results in this area.

Target #5: Ensure that the cost effectiveness ratio is at least \$4.10.

Status #5: The cost effectiveness ratio for FFY08 is \$4.75, an increase of \$0.34 from the prior year.

Cost Effectiveness Ratio

Fiscal Year	Ratio
FFY 2008	\$4.75
FFY 2007	\$4.41
FFY 2006	\$4.24
FFY 2005	\$4.52
FFY 2004	\$4.42

Analysis of results and challenges: The cost effectiveness ratio for FFY08 is \$4.75, which is an increase of \$0.34 from the prior year. This means that for every \$1.00 spent in operating dollars the division collected \$4.75 in child support.

Two components, expenses and collections, figure into this target. Overall, showing the highest possible amount of

collections for the least amount spent is highly sought. The increase in our cost effectiveness for FFY08 is a direct result of increased collections for that period due in part to the economic stimulus checks as well as an increased permanent fund dividend. However, in order to continue to maintain a high level of cost effectiveness the division must be able to increase collections by approximately four and one-half times more than the increase in expenses.

Additionally, CSSD anticipates that FFY09 and FFY10 could see a decline in our cost effectiveness. As the cost of doing business continues to increase, the amount of these increases in expenditures significantly outpaces our ability to increase collections, resulting in lower cost effectiveness.

Target #6: Reduce cases with no collections for one year or more to 12% or less of cases eligible for collections.

Status #6: Cases with no collections for one year or more was 11.78% in FY2008, a decrease of 0.45% from FY2007.

Cases With No Collections for 1 Year or More

Fiscal Year	Percentage of Cases	Change from Prior Year
FY 2008	11.78%	-0.45%
FY 2007	12.23%	-0.41%
FY 2006	12.64%	-0.28%
FY 2005	12.92%	-10.08%
FY 2004	23%	NA

Analysis of results and challenges: A case is eligible for collection when a court or administrative order has been established. In FY2008, 93.9% of the division's cases had orders, leaving 6.1% without orders and therefore ineligible for collection.

An analysis of outstanding child support collections showed a relationship between those cases with the highest outstanding balances and those with no recent collections. A portion of the cases with no collections for one year or more are designated as "hard to collect" and are assigned to a specialized team of child support specialists. FY2008 is the fourth consecutive year that the percentage of cases with no collections has decreased relative to the prior year. This is the result of continued work by the special collections unit on extremely difficult to enforce cases.

Prioritization of Agency Programs

(Statutory Reference AS 37.07.050(a)(13))

1. Tax Division
2. Treasury Management
3. Child Support Services Division
4. Permanent Fund Dividend Division
5. Commissioner's Office
6. Administrative Services Division
7. Natural Gas Commercialization
8. Alaska Permanent Fund Corporation
9. Alaska Retirement Management Board
10. Alaska Housing Finance Corporation
11. Alaska Municipal Bond Bank Authority
12. Alaska Mental Health Trust Authority
13. Alaska Natural Gas Development Authority

Taxation and Treasury Results Delivery Unit**Contribution to Department's Mission**

The Taxation and Treasury RDU includes the Tax Division, Treasury, Unclaimed Property, Alaska Retirement Management Board, and the Permanent Fund Dividend Program. Please see individual component narratives for information on each of these agencies.

FY2010 Resources Allocated to Achieve Results**FY2010 Results Delivery Unit Budget: \$80,886,700****Personnel:**

Full time 243

Part time 15

Total 258

Component: Tax Division

Contribution to Department's Mission

The mission of the Tax Division is to collect taxes, inform stakeholders, and regulate charitable gaming.

Core Services

- Facilitate voluntary compliance
- Enforce tax and gaming statutes
- Account for revenues
- Forecast future revenues for state fiscal planning purposes
- Inform stakeholders
- Participate in Governor's revenue and investment initiatives

End Result	Strategies to Achieve End Result
<p>A: Maximize compliance with current tax and gaming statutes.</p> <p><u>Target #1:</u> Percentage of taxes collected compared to taxes due between 92% and 98%.</p> <p><u>Status #1:</u> Taxes collected compared to taxes due has been between 96% and 105% in the past five years and in FY2008 was 98.5%. This measure is not indicative of our compliance efforts as it is skewed by the fact that our largest taxpayers are paying their taxes, but smaller taxpayers may not be. This measure will be changed in FY2009 to better reflect the compliance of our entire taxpayer base across all tax types.</p> <p><u>Target #2:</u> 90% of existing taxpayers file their tax returns and make tax payments timely. This is a new target; data will be reported at the end of FY2009.</p> <p><u>Status #2:</u> Not Available</p>	<p>A1: Increase audit coverage (audit activities improve compliance and revenue).</p> <p><u>Target #1:</u> Open 20 new audit cases (taxpayers that have not been audited by us in the prior five years).</p> <p><u>Status #1:</u> Seventy-eight new audit cases were opened in FY2008 due to an increase in audit staff. These audits will be worked throughout FY2009 in addition to maintaining a target of 20 new audits for that year.</p> <p>A2: Increase voluntary tax compliance by identifying non-filers.</p> <p><u>Target #1:</u> Find 30 non-filers through compliance work.</p> <p><u>Status #1:</u> Approximately 309 new taxpayers were identified in FY2008. Most of the new taxpayers were identified through compliance work in the mining license tax. In FY2009 our focus will be on the number of compliance activities conducted versus the number of new taxpayers identified.</p> <p><u>Target #2:</u> Conduct 5 new compliance projects to identify nonfilers.</p> <p><u>Status #2:</u> This is a new measure; data will be reported at the end of FY2009.</p> <p>A3: Use refund requests as a measure for how effective we are in processing tax returns and return information.</p> <p><u>Target #1:</u> Issue 100% of tax refunds within statutory 90-day interest free (grace) period.</p> <p><u>Status #1:</u> In FY2008, we issued 99% of tax refunds without incurring interest which was short of our goal, but an increase over FY2007. In FY2009, we will reduce</p>

	<p>this goal to 98% as we believe, at times, it is in the best interest of the State to take additional time to properly analyze the correctness of a refund request.</p> <p>A4: Increase number of audit hours.</p> <p><u>Target #1:</u> 2,000 hour increase in audit hours over prior year.</p> <p><u>Status #1:</u> Total increase in audit hours for FY2008 was 5,154 which exceeded our goal. This was due to increased audit staff in several units in the Division and opening audits in recently enacted tax programs.</p> <p>A5: Use collection activity as a measure of how effective we are in administering tax programs.</p> <p><u>Target #1:</u> Collect 95% or more of taxes due.</p> <p><u>Status #1:</u> 98.5% of taxes were collected in FY2008 compared to taxes due.</p> <p>A6: Use permit application process as a measure for how effective we are in regulating gaming.</p> <p><u>Target #1:</u> Reduce the percent of gaming applications that require follow up due to missing and incomplete forms to no more than 35% of all applicants.</p> <p><u>Status #1:</u> Due to the implementation of an electronic system in FY2007, we met our goal of no more than 35% in FY2008. This measure will be re-evaluated for FY2009 as we have discovered that this measure is more a function of the sophistication of the taxpayer than it is of the organization and competency of the Tax Division.</p> <p>A7: Utilize investigators to conduct inspections of and educate the gaming community on Alaska's charitable gaming laws.</p> <p><u>Target #1:</u> Conduct 50 gaming inspections each year.</p> <p><u>Status #1:</u> This is a new measure; data will be reported at the end of FY2009.</p>
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Major Activities to Advance Strategies

- | | |
|---|---|
| <ul style="list-style-type: none"> • Increase tax compliance by educating Alaskans about Alaska's tax programs • Enforce tax compliance through audit • Focus activity examination on high risk returns and errors • Streamline examination process • Utilize IRS and other third-party data and examination resources to identify non-filers • Implement performance tracking and process monitoring tools • Account for program revenues | <ul style="list-style-type: none"> • Provide training workshops in key areas • Encourage voluntary compliance by informing taxpayers of resources that allow them to fully comply • Publish well-used and statutorily required reports and website materials • Assist governor and legislature in developing new sources of revenue and increasing existing sources • Respond to revenue related legislation • Collect historical and forecasted cost, price and production data to support revenue forecast work |
|---|---|

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$14,504,300

Personnel:

Full time	121
Part time	1
Total	122

Performance

A: Result - Maximize compliance with current tax and gaming statutes.

Target #1: Percentage of taxes collected compared to taxes due between 92% and 98%.

Status #1: Taxes collected compared to taxes due has been between 96% and 105% in the past five years and in FY2008 was 98.5%. This measure is not indicative of our compliance efforts as it is skewed by the fact that our largest taxpayers are paying their taxes, but smaller taxpayers may not be. This measure will be changed in FY2009 to better reflect the compliance of our entire taxpayer base across all tax types.

Taxes Collected Compared to Taxes Due

Fiscal Year	% of Taxes Collected
FY 2008	98.5%
FY 2007	105.4%
FY 2006	96.0%
FY 2005	98.6%
FY 2004	99.7%

Analysis of results and challenges: This percentage is driven primarily by payment of taxes due by Alaska's largest taxpayers and is not indicative of the Division's compliance efforts or taxpayers' compliance with Alaska's tax laws as a whole. Without the ability to reasonably estimate the amount of unreported taxes due to the state and without looking at the entire taxpayer base, this percentage is meaningless as a way to measure the Division's compliance efforts. In FY 2008, most of the largest taxpayers who account for the greatest percentage of the state's revenue paid taxes owed to the state. Although slightly outside the target range, the division met the FY2008 goal. However, as stated above, this does not provide any feedback regarding our compliance activities. As such, the Division will reassess this performance measure for FY 2009 and future years and come up with a more realistic and meaningful method of measuring our success in tax and gaming compliance.

Target #2: 90% of existing taxpayers file their tax returns and make tax payments timely. This is a new target; data will be reported at the end of FY2009.

Status #2: Not Available

Analysis of results and challenges: The Tax Division's primary function is to encourage voluntary compliance by all taxpayers across all tax programs. This is achieved in a variety of ways, i.e. taxpayer education and outreach programs, compliance activities where we actively look for nonfilers, and collection activities. Taxpayers are more apt to voluntarily comply if they believe that everyone else is paying their fair share and the Division makes it relatively easy to file returns and pay taxes. As such, the most effective way to measure our performance is to look at the percentage of known taxpayers who timely file their returns and pay their taxes.

A1: Strategy - Increase audit coverage (audit activities improve compliance and revenue).

Target #1: Open 20 new audit cases (taxpayers that have not been audited by us in the prior five years).

Status #1: Seventy-eight new audit cases were opened in FY2008 due to an increase in audit staff. These audits will be worked throughout FY2009 in addition to maintaining a target of 20 new audits for that year.

Number of New Audit Cases Opened

Fiscal Year	# of Audit Cases
FY 2008	78
FY 2007	42
FY 2006	5
FY 2005	14
FY 2004	7

Analysis of results and challenges: The Tax Division maintains 100% coverage in oil and gas income and production taxes (and new oil and gas audit subjects are not included in this measure). An audit presence in each of the other tax types improves long-term voluntary compliance as well as generates new audit revenues. Furthermore, once established, audit generated revenues tend to recur as taxpayers modify their reporting to become consistent with the audit findings. Not included in the new audit count are audits of exploration tax credit claims by existing taxpayers. These audits do not meet our definition of "new audits" although they represent new and expanded audit efforts by the division. We exceeded our goal in FY 2008 as a result of new and stable audit staff in the Corporate and Excise tax units. We also limited the scope on several audits, choosing to look at several taxpayers with similar audit issues as opposed to conducting a full audit of a few taxpayers. Limited scope audits not only allow us to audit more taxpayers, but they also allow us to focus on audit issues that have a greater return to the State.

We view twenty new audit subjects annually as an appropriate target and this remains our goal for FY2009.

A2: Strategy - Increase voluntary tax compliance by identifying non-filers.

Target #1: Find 30 non-filers through compliance work.

Status #1: Approximately 309 new taxpayers were identified in FY2008. Most of the new taxpayers were identified through compliance work in the mining license tax. In FY2009 our focus will be on the number of compliance activities conducted versus the number of new taxpayers identified.

New Filers through Compliance

Fiscal Year	# of New Filers
FY 2008	309*
FY 2007	977*
FY 2006	900*
FY 2005	45
FY 2004	38

*Methodology: *Internet tobacco tax compliance project yielded 700 new taxpayers in FY2006 and 868 new taxpayers in FY2007. In FY2008, we discovered several hundred additional tobacco tax taxpayers. However, those taxpayers are not included in the FY2008 numbers as this is an ongoing project that continues to find new taxpayers each year and skews the target for other tax types.*

Analysis of results and challenges: The Tax Division encourages voluntary compliance as the most effective tool for collecting tax revenues. An important aspect of voluntary compliance is for taxpayers to believe that they are paying about the same amount in taxes as other similarly situated taxpayers. Seeking out and finding new taxpayers and bringing them into compliance assists revenue both in long-term voluntary compliance as well as bringing in the revenues from the new taxpayers. The division does not believe there are any major oil and gas taxpayers not filing, but we are pursuing the tax types that constitute the other 20% of its revenue responsibilities. This target and measure does not include federal or multi-state compliance programs in which we currently participate.

In FY2007 and FY2008, we conducted a major taxpayer education and compliance effort with the assistance of the

Department of Natural Resources in the mining license tax program. Our efforts resulted in over 250 new taxpayers in this tax type in FY2008. Although identifying non-filers is an important function of the Division, the number of non-filers identified is not as important as the number of compliance projects initiated. Therefore, in the future, our goal will be to initiate a specific number of compliance projects as opposed to generating new taxpayers.

Target #2: Conduct 5 new compliance projects to identify nonfilers.

Status #2: This is a new measure; data will be reported at the end of FY2009.

Analysis of results and challenges: The Tax Division encourages voluntary compliance as the most effective tool for collecting tax revenues. An important aspect of voluntary compliance is for taxpayers to believe that they are paying about the same amount in taxes as other similarly situated taxpayers. Seeking out and finding new taxpayers and bringing them into compliance assists revenue both in long-term voluntary compliance as well as bringing in the revenues from the new taxpayers. The division does not believe there are any major oil and gas taxpayers not filing, but we are focusing on the tax types that constitute the other 20% of our revenue responsibilities. This target and measure does not include federal or multi-state compliance programs in which we currently participate.

In the past, we measured our performance in this area by the number of new taxpayers brought into compliance. That approach did not take into account the number of tax programs we administer or the number of compliance projects conducted. We also had no control over the performance measure. For example, we could conduct 50 compliance projects and not find a single new taxpayer. This would indicate to us that we have strong compliance amongst our taxpayers and are effectively administering our tax programs. However, since the performance measure was to identify a specific number of new taxpayers, we would have failed to meet the performance objective and it would appear that we are not effectively administering our tax programs. Therefore, we have changed this performance measure to initiate a specific number of compliance projects as opposed to generating a specific number of new taxpayers.

A3: Strategy - Use refund requests as a measure for how effective we are in processing tax returns and return information.

Target #1: Issue 100% of tax refunds within statutory 90-day interest free (grace) period.

Status #1: In FY2008, we issued 99% of tax refunds without incurring interest which was short of our goal, but an increase over FY2007. In FY2009, we will reduce this goal to 98% as we believe, at times, it is in the best interest of the State to take additional time to properly analyze the correctness of a refund request.

Refunds Issued Within 90 Days of Claim

Fiscal Year	% of Refunds Issued
FY 2008	99.0%
FY 2007	97.4%
FY 2006	90.0%
FY 2005	78.63%
FY 2004	79.46%

Analysis of results and challenges: The Tax Division encourages voluntary compliance as the most effective tool for collecting tax revenues. Another important aspect of voluntary compliance is for the taxpayers to believe the division is timely, effective and efficient; and therefore, they are likely to suffer consequences if they are not fair in their dealings with the division. The division is using how well it processes refund requests as a proxy for how well it can process the information and money associated with returns, and then keep track of, retrieve, process and act on that information when requested. The Tax Division believes this is a good test for perceived competence with taxpayers, which in turn is reflected in voluntary compliance.

Our analysis of refund processing performance points to systems and staffing issues as the primary factors in meeting this target. Fully staffed programs supported by new systems met our target. Established programs with leaner staffing models and/or outdated systems failed to meet the target. System improvements were implemented and some increased staffing levels occurred in FY2007 which enhanced our ability to issue refunds faster in that year and in FY2008. In FY2008 we exceeded the previous year of 97.4% of tax refunds issued within the statutory period. We have also learned that it may take longer than 90 days to properly process a refund request and, at times, it makes sense to do so even if we pay interest on the refund. As such, we believe it is appropriate to lower our target from 100% to 98% issuance of tax refunds within 90 days of claim in FY2009.

A4: Strategy - Increase number of audit hours.

Target #1: 2,000 hour increase in audit hours over prior year.

Status #1: Total increase in audit hours for FY2008 was 5,154 which exceeded our goal. This was due to increased audit staff in several units in the Division and opening audits in recently enacted tax programs.

Change in Audit Hours over Prior Year

Fiscal Year	# of Hours
FY 2008	5,154
FY 2007	7,500
FY 2006	(1,741)
FY 2005	(363)

Analysis of results and challenges: Although voluntary compliance remains our best tool for effective tax collection, that voluntary effort is enhanced by an audit presence, and therefore we need to increase our audit numbers.

The FY2005 and FY2006 results reflect auditor attrition, continued diversion of auditors, and unsuccessful recruitment. In FY2007, the Division stepped up recruiting efforts nationally and, although still below market, pay for professional audit staff increased significantly. In FY2006, we developed a comprehensive training plan for corporate tax auditors in coordination with current recruitment efforts under the new class specifications. With the increase in pay and the training plan, we exceeded our target increase in audit hours more than two-fold in FY 2007 and FY 2008.

With increased staff and pay, we expect an additional increase in audit hours in FY2009. However, with auditor resources expected to be focused on special projects, such as regulations for the new oil and gas tax, the projected increase will be minimal.

A5: Strategy - Use collection activity as a measure of how effective we are in administering tax programs.

Target #1: Collect 95% or more of taxes due.

Status #1: 98.5% of taxes were collected in FY2008 compared to taxes due.

Taxes Collected Compared to Taxes Due

Fiscal Year	% of Taxes Collected
FY 2008	98.5%
FY 2007	105.4%
FY 2006	96.0%
FY 2005	98.6%
FY 2004	99.7%

Analysis of results and challenges: This percentage is driven primarily by the Tax Division's collections efforts. In the past, we believed that this percentage was indicative of the Division's compliance efforts. Without the ability to reasonably estimate the amount of unreported taxes due to the state, this percentage is meaningless as a way to measure the Division's compliance efforts. However, an effective collection program can encourage individuals to voluntarily pay taxes owed in a timely manner if they believe that the Division will take steps to enforce payment of taxes. An effective collection program also creates a sense of fairness amongst taxpayers. For example, a taxpayer who voluntarily files a return and pays the taxes owed will continue to do so if that taxpayer knows the Division will take steps to collect taxes owed from taxpayers who fail to voluntarily pay.

A6: Strategy - Use permit application process as a measure for how effective we are in regulating gaming.

Target #1: Reduce the percent of gaming applications that require follow up due to missing and incomplete forms to no more than 35% of all applicants.

Status #1: Due to the implementation of an electronic system in FY2007, we met our goal of no more than 35% in FY2008. This measure will be re-evaluated for FY2009 as we have discovered that this measure is more a function of the sophistication of the taxpayer than it is of the organization and competency of the Tax Division.

Gaming Applications that Require Follow-up

Fiscal Year	% of Applications
FY 2008	34%
FY 2007	42%
FY 2006	35%
FY 2005	36%
FY 2004	39%

Analysis of results and challenges: The Tax Division believes that voluntary compliance is tied to how competent and well organized the division is perceived to be. This measure specifically targets the gaming tax, for which the division also serves as the regulatory body. The Tax Division has created checklists and visual aids to assist applicants for permits in preparing a complete and accurate application the first time each time. The division believed this was a good test by which taxpayers measured our competency which, in turn, would result in both voluntary compliance by the taxpayer and conformance with the gaming laws.

In FY2008, we met our goal of no more than 35% of all applications requiring follow up. This goal was reached for two specific reasons. First, we introduced our online permitting and licensing program to allow permittees to file their permit applications electronically. Second, we initiated an imaging project to digitize all paper application forms. However, with the implementation of these systems, we expected a significant reduction in the amount of follow-up required by the Division which did not occur. We realized that this measure is more an indication of the sophistication of the taxpayer than it is of the organization and competency of the Division. As such, we will not identify this component as a performance measure in the future.

A7: Strategy - Utilize investigators to conduct inspections of and educate the gaming community on Alaska's charitable gaming laws.

Target #1: Conduct 50 gaming inspections each year.

Status #1: This is a new measure; data will be reported at the end of FY2009.

Analysis of results and challenges: The Tax Division believes that voluntary compliance is tied to how knowledgeable our taxpayers are about a specific tax program and if there are consequences for failing to comply with tax laws. This measure specifically targets the gaming tax, for which the division also serves as the regulatory body. The Tax Division conducts routine inspections of gaming operators and permittees to ensure that they are conducting gaming activities as required by law. During inspections, the taxpayer has the opportunity to ask questions about the gaming program and the investigator can educate the taxpayer about the gaming laws. We believe that routine inspections are a good way to promote voluntary compliance and conformance to gaming laws.

Component: Treasury Division

Contribution to Department's Mission

The mission of the Treasury Division is to manage the state's funds consistent with prudent investment guidelines and Governmental Accounting Standards Board (GASB) rules.

Core Services

- Manage the investments of state funds, including: General Fund, International Airports Revenue Fund, International Airports Construction Funds, Constitutional Budget Reserve Fund, Student Loan Bond Funds, Alaska Children's Trust, Exxon Valdez Oil Spill Trust Fund, Power Cost Equalization Endowment Fund, Public School Trust Fund, Retiree Health Insurance Fund, University of Alaska Trust Fund, Permanent Fund Dividend Holding Account, Alaska Mental Health Trust Reserve, and state pension funds.
- Provide cash management and investment advice and services to all state agencies.
- Provide capital financing advice and services to state agencies upon request.
- Provide staff to the Alaska Retirement Management Board, the State Bond Committee and the Alaska Municipal Bond Bank Authority Committee and the Alaska Municipal Bond Bank Authority.

End Result	Strategies to Achieve End Result
A: Maximize the value of the funds under the stewardship of the Treasury Division. <u>Target #1:</u> For the funds under the fiduciary responsibility of the Commissioner of Revenue, exceed the applicable 1-year target returns. <u>Status #1:</u> During FY2008, returns for 2 of the 9 funds under the fiduciary responsibility of the Commissioner of Revenue exceeded the applicable 1-year target returns.	A1: Portfolio Investment Officer staff is continually upgraded in experience and education. <u>Target #1:</u> Increase average longevity of the investment officers to 5 years. <u>Status #1:</u> The average longevity of the Treasury investment officers during FY2008 was 4.2 years, a reduction from the prior year due to staff turnover. <u>Target #2:</u> At least 4 investment staff will have their Chartered Financial Analyst (CFA) designation. <u>Status #2:</u> In FY2008, five members of the Treasury investment staff have their Chartered Financial Analyst designation. This exceeds the Treasury Division's target of four.
End Result	Strategies to Achieve End Result
B: A low cost of State indebtedness. <u>Target #1:</u> Yields at which the state issues debt will not exceed 30 basis points of the applicable benchmark. <u>Status #1:</u> There were no State of Alaska bond issues in FY2008.	B1: Documents updating statewide fiscal and economic events sent to Moody's, other credit rating agencies, overall market for public finance. <u>Target #1:</u> Formal visit, bond issue update, or updated document template sent or presented to ratings agencies at least four times per year. <u>Status #1:</u> During FY2008, rating agencies received updates from the State Debt Manager as well as a formal presentation that resulted in Alaska's rating being upgraded to a Standard & Poor's rating of AA+.

End Result	Strategies to Achieve End Result
<p>C: Cash management services essential to the operation of state government are timely and accurate.</p> <p><u>Target #1:</u> 100% of all daily cash management services essential to the operation of state government are processed on time with no avoidable errors caused by internal staff or systems.</p> <p><u>Status #1:</u> During FY2008, all daily cash management services were processed accurately although the rates of timeliness varied from 91% to 100%, depending on the service category.</p>	<p>C1: Provide sufficient training and cross training of staff in the cash management services essential to the operation of state government.</p> <p><u>Target #1:</u> 100% of staff receive sufficient training so that all cash management services essential to the operation of state government are performed timely and accurately.</p> <p><u>Status #1:</u> 74% of Cash Management staff received cross-training during FY2008.</p>
End Result	Strategies to Achieve End Result
<p>D: Unclaimed property owners in Alaska will be united with their property.</p> <p><u>Target #1:</u> Pay 15% more claims each year.</p> <p><u>Status #1:</u> We increased payment of claims by 11% in FY2008 over what was paid in FY2007. Unclaimed Property was transferred from the Tax Division to the Treasury Division in FY2009.</p>	<p>D1: Place primary focus on locating owners of most recently reported properties.</p> <p><u>Target #1:</u> Unclaimed Property will initiate search of at least 50 owners per month.</p> <p><u>Status #1:</u> We initiated 300 total searches in FY2008 which fell below the target of 50 per month. We discovered that other means of reaching out to unclaimed property owners were more effective and intentionally reduced our searches to spend time on these other more effective methods. This goal will be updated for FY2009 to reflect those new methods.</p>

Major Activities to Advance Strategies	
<ul style="list-style-type: none"> Define roles of potential new asset class managers and perform adequate due diligence. Financially support meeting professional designation targets and ongoing education requirements of the division's professional staff. Have programmer work with external custodian to automate download of accounting data. Have accounting staff develop macro-driven spreadsheets that can take auto-downloaded data and compile the financial reports with no intervention. Work with Bloomberg and custodian to automate reconciliation process. 	<ul style="list-style-type: none"> Poll banks to receive daily data. Inform state agencies of cash control needs and techniques. Define state fund intercept authority and moral obligation for credit markets and credit rating agencies. Staff State Bond Committee. Work with all public debt issuers in Alaska to defend state credit rating.

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$7,816,900

Personnel:

Full time 39

Part time 0

Total 39

Performance

A: Result - Maximize the value of the funds under the stewardship of the Treasury Division.

Target #1: For the funds under the fiduciary responsibility of the Commissioner of Revenue, exceed the applicable 1-year target returns.

Status #1: During FY2008, returns for 2 of the 9 funds under the fiduciary responsibility of the Commissioner of Revenue exceeded the applicable 1-year target returns.

One-year Return Data for Funds Managed by the Treasury Division

Fiscal Year	Fund	Actual Return	Target Return
FY 2008	Gen Fund/Other Non-segregated F	5.85%	6.47%
FY 2008	AK Children's Trust Fund	(8.83%)	(8.34%)
FY 2008	Public School Trust Fund	(2.75%)	(1.99%)
FY 2008	Int'l Airports Revenue Fund	6.92%	7.91%
FY 2008	Const Budg Resv Fund-Main Acc	6.60%	7.54%
FY 2008	Const Budg Resv Fund-Sub Acc	(10.67%)	(4.74%)
FY 2008	Retirement Hlth Ins Fund-Longter	(5.83%)	(6.10%)
FY 2008	Retirement Hlth Ins Fund-Maj Med	2.71%	3.16%
FY 2008	Power Cost Equalization Fund	(4.79%)	(5.50%)

Methodology: FY2008 one-year return data is for the period 7/1/2007 through 6/30/2008.

Analysis of results and challenges: A combination of investments that is expected to produce the highest investment return for a given amount of risk is known as "point on the efficient frontier." Each fiduciary for a fund reviews points on the efficient frontier and selects the combination of investments consistent with their appetite for risk and returns of the fund. This selection is known as the target return.

Target returns assume the earnings of passively managed indexes invested in the same proportions as the assets at the corresponding point on the efficient frontier. A fund will exceed the target rate of return if the amount of money invested matches the asset allocation or are overweighted to higher earning assets at that point on the efficient frontier and the investment managers earn more than their benchmark index. Conversely, returns will be less if the manager underperforms their benchmark or if assets were not allocated to overweight higher performing asset classes.

In FY2008, Treasury securities were the higher performing asset class within the funds. Since the composition of assets within the funds managed included less Treasury securities than the benchmark targets, the funds managed had less earnings than the benchmark target.

A1: Strategy - Portfolio Investment Officer staff is continually upgraded in experience and education.

Target #1: Increase average longevity of the investment officers to 5 years.

Status #1: The average longevity of the Treasury investment officers during FY2008 was 4.2 years, a reduction from the prior year due to staff turnover.

Average Longevity of Investment Staff

Fiscal Year	Number of Years
FY 2008	4.2 years
FY 2007	4.6 years
FY 2006	3.8 years
FY 2005	2.8 years
FY 2004	2.6 years

Analysis of results and challenges: A seasoned investment staff contributes to improved investment performance. Over the past four years, investment performance relative to other public pension funds has markedly improved.

Target #2: At least 4 investment staff will have their Chartered Financial Analyst (CFA) designation.

Status #2: In FY2008, five members of the Treasury investment staff have their Chartered Financial Analyst designation. This exceeds the Treasury Division's target of four.

Number of Staff Holding CFA Designation

Fiscal Year	Number of Staff
FY 2008	5
FY 2007	5
FY 2006	4
FY 2005	4
FY 2004	3

Analysis of results and challenges: The Chartered Financial Analyst (CFA) designation takes a minimum of three years to obtain. Investment returns have steadily improved, as has the average longevity of the investment staff and their individual progress towards obtaining CFA designations.

B: Result - A low cost of State indebtedness.

Target #1: Yields at which the state issues debt will not exceed 30 basis points of the applicable benchmark.

Status #1: There were no State of Alaska bond issues in FY2008.

Percent of Bonds Issued at Less Than 30 bp Over Benchmark

Fiscal Year	Percent of Bonds
FY 2008	None Issued
FY 2007	100%
FY 2006	100%
FY 2005	100%
FY 2004	100%
FY 2003	100%

B1: Strategy - Documents updating statewide fiscal and economic events sent to Moody's, other credit rating agencies, overall market for public finance.

Target #1: Formal visit, bond issue update, or updated document template sent or presented to ratings agencies at least four times per year.

Status #1: During FY2008, rating agencies received updates from the State Debt Manager as well as a formal presentation that resulted in Alaska's rating being upgraded to a Standard & Poor's rating of AA+.

Updates Provided to Ratings Agencies

Fiscal Year	# of Updates
FY 2008	4
FY 2007	4
FY 2006	5

C: Result - Cash management services essential to the operation of state government are timely and accurate.

Target #1: 100% of all daily cash management services essential to the operation of state government are processed on time with no avoidable errors caused by internal staff or systems.

Status #1: During FY2008, all daily cash management services were processed accurately although the rates of timeliness varied from 91% to 100%, depending on the service category.

Essential Cash Management Services

Fiscal Year	Service	Timely	Accurate
FY 2008	Determine cash requirements	91%	100%
FY 2008	Cash flow forecasting	94%	100%
FY 2008	Electronic payment initiation	100%	100%
FY 2008	Cash reconciliation	100%	100%
FY 2008	Recording bank activity	97%	100%
FY 2008	Drawdown fed funds	100%	100%
FY 2008	Interfund transfers	95%	100%
FY 2008	Record GF balance	91%	100%
FY 2008	Bank deposits	100%	100%
FY 2008	International payments	93%	100%

Analysis of results and challenges: Over the past few years, Cash Management has experienced an increase in workload volume and complexity due to implementing new systems and processes, increases in fraud attempts, and increased demands from state agencies. As a result, there is less time to work on the most essential tasks, which in turn has a detrimental effect on Cash Management's ability to perform work accurately. In addition, Cash Management has not been able to complete cross-training of all section staff to the degree necessary to ensure all mission-critical duties that must be performed each business day are executed without fail.

C1: Strategy - Provide sufficient training and cross training of staff in the cash management services essential to the operation of state government.

Target #1: 100% of staff receive sufficient training so that all cash management services essential to the operation of state government are performed timely and accurately.

Status #1: 74% of Cash Management staff received cross-training during FY2008.

Cross Training Completed

Fiscal Year	Percentage
FY 2008	74%
FY 2007	77%
FY 2006	76%

Analysis of results and challenges: Over the past few years, Cash Management has experienced an increase in workload volume and complexity due to implementing new systems and processes, increases in fraud attempts, and increased demands from state agencies. As a result, Cash Management has not been able to complete cross-training of all section staff. This remains a goal for FY2009.

D: Result - Unclaimed property owners in Alaska will be united with their property.

Target #1: Pay 15% more claims each year.

Status #1: We increased payment of claims by 11% in FY2008 over what was paid in FY2007. Unclaimed Property was transferred from the Tax Division to the Treasury Division in FY2009.

Property Claims Paid per Year

Fiscal Year	# of Claims Paid	% Change from Prior Year
FY 2008	5,761	11%
FY 2007	5,111	10%
FY 2006	4,649	14%
FY 2005	4,061	128%
FY 2004	1,780	-34%
FY 2003	2,706	19%

Analysis of results and challenges: Claims filed can fluctuate significantly due to factors beyond our control. Claims initiated through contact with property owners will not always result in a claim being paid in the same fiscal year. In addition, we do not have control over a claimant's actions to return their signed claim form and include documentation required for payment. Although we fell short of our target in FY2008, we returned close to \$3 million in property to Alaskans during the year. In FY2009, Unclaimed Property was transferred to Treasury Division and goals will be reflected in Treasury's performance measures for that year.

D1: Strategy - Place primary focus on locating owners of most recently reported properties.

Target #1: Unclaimed Property will initiate search of at least 50 owners per month.

Status #1: We initiated 300 total searches in FY2008 which fell below the target of 50 per month. We discovered that other means of reaching out to unclaimed property owners were more effective and intentionally reduced our searches to spend time on these other more effective methods. This goal will be updated for FY2009 to reflect those new methods.

Owner Searches Performed by UCP

Fiscal Year	# of Searches
FY 2008	300
FY 2007	53
FY 2006	300
FY 2005	600
FY 2004	300

Analysis of results and challenges: The Unclaimed Property (UCP) staff conducts searches for property owners by selecting recently reported properties from the division's database and using online tools to locate the owners. The target is to search for 50 owners each month, however when there are fluctuations in staffing and/or workload the UCP places a priority on responding to claims requests from property owners which involves verifying claims and processing payments. In FY2008, UCP responded to more claims than in FY2007, but the target for number of owner searches was not met. UCP intentionally reduced the number of monthly searches and focused staff time on the more effective method of conducting outreach to educate potential property owners of the existence of the program's website, with a searchable database and instructions for filing a claim. In addition, Alaska is part of a 40-state consortium which 'advertises' unclaimed property on a single website called 'Missing Money'. Missing Money provides a single search method for individuals to look for unclaimed property in all 40 states. In the future, this performance measure will be revised accordingly.

Component: Unclaimed Property

Contribution to Department's Mission

The mission of the Unclaimed Property program is to fulfill its statutory mandate to administer Alaska's Uniform Unclaimed Property Act (AS 34.45).

Core Services

- Receive unclaimed property in the form of cash and securities from businesses (profit and non-profit) and governmental agencies as required by Alaska's Unclaimed Property Act.
- Locate owners, heirs or authorized representatives of unclaimed property.
- Determine legal validity of property ownership; deny or distribute property including accruals and interest, in order to make payment of allowed claims.

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$355,200

Personnel:

Full time	4
Part time	0
Total	4

Component: Alaska Retirement Management Board

Contribution to Department's Mission

The mission of the Alaska Retirement Management Board is to manage state pension funds.

Core Services

- Invest the funds of the state pension plans: Public Employees' Retirement System, Teachers' Retirement System, Judicial Retirement System, Alaska National Guard and Alaska Naval Militia Retirement System, Health Reimbursement Arrangement Plan, Retiree Major Medical Plan, and Health Care Trust Accounts.
- Select and monitor appropriate investment options for Supplemental Benefits System (SBS), Deferred Compensation, and Defined Contribution Plan.
- Report to the governor, legislature, individual employers and other stakeholders the financial condition of the systems with regard to: valuation of trust fund assets and liabilities; current investment policies adopted by the board; a summary of assets held in trust listed by the categories of investment; the income and expenditures for the previous fiscal year; and 1-year, 3-year, 5-year and 10-year investment performance for each of the funds entrusted to the board.

End Result	Strategies to Achieve End Result
A: Improve the risk adjusted return of funds under the stewardship of the ARMB by continually improving investment returns. <u>Target #1:</u> Exceed 1-year, 3-year and 5-year target returns. <u>Status #1:</u> FY2008 target returns were exceeded in 9 of the 12 return analyses.	A1: Recognize possible improvements to asset allocation decisions through evaluation of greater diversification by expanding the number of asset classes. (NOTE: Asset allocation is the single largest contributor to total return.) <u>Target #1:</u> Perform in-depth education on and analysis of at least one investment approach. <u>Status #1:</u> Multiple investment opportunities were studied during the annual education meeting.

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$7,149,900	Personnel:	
	Full time	0
	Part time	0
	Total	0

Performance

A: Result - Improve the risk adjusted return of funds under the stewardship of the ARMB by continually improving investment returns.

Target #1: Exceed 1-year, 3-year and 5-year target returns.

Status #1: FY2008 target returns were exceeded in 9 of the 12 return analyses.

One-year, Three-year and Five-year Return Data for Retirement Funds as of June 30, 2008

Fiscal Year	Retirement Fund	1-Year Actual	1-Year Target	3-Year Actual	3-Year Target	5-Year Actual / Target
FY 2008	PERS Total Plan	-2.74%	-3.93%	8.90%	7.31%	10.03% / 9.14%
FY 2008	TRS Total Plan	-2.74%	-3.93%	8.91%	7.31%	10.05% / 9.14%
FY 2008	Judicial Total Plan	-4.73%	-4.43%	7.88%	7.35%	9.33% / 9.35%
FY 2008	Military Total Plan	-1.55%	-0.99%	5.86%	4.93%	6.78% / 6.12%

Methodology: FY2008 one-year return data is for the period 7/1/2007 through 6/30/2008.

Analysis of results and challenges: A combination of investments that is expected to produce the highest investment return for a given amount of risk is known as "point on the efficient frontier." Each fiduciary for a fund reviews points on the efficient frontier and selects the combination of investments consistent with their appetite for risk and returns of the fund. This selection is known as the target return.

Target returns assume the earnings of passively managed indexes invested in the same proportions as the assets at the corresponding point on the efficient frontier. A fund will exceed the target rate of return if the amount of money invested matches the asset allocation or are overweighted to higher earning assets at that point on the efficient frontier and the investment managers earn more than their benchmark index. Conversely, returns will be less if the manager underperforms their benchmark or if assets were not allocated to overweight higher performing asset classes.

For FY2008, all but the Judicial Plan 1-year and 5-year and Military Plan 1-year returns beat the corresponding target returns.

A1: Strategy - Recognize possible improvements to asset allocation decisions through evaluation of greater diversification by expanding the number of asset classes. (NOTE: Asset allocation is the single largest contributor to total return.)

Target #1: Perform in-depth education on and analysis of at least one investment approach.

Status #1: Multiple investment opportunities were studied during the annual education meeting.

Analysis of results and challenges: Diversification of investments through new asset classes was continued during FY2008. In addition, the asset classification hierarchy was reconfigured during FY2008 into 6 categories, rather than the previous 11 in order to improve performance analysis of the plans. The Board will continue to evaluate new asset classes at their annual educational workshop.

Component: Alaska Retirement Management Board Custody and Management Fees**Contribution to Department's Mission**

Please see Alaska Retirement Management Board component.

Core Services

- Please see Alaska Retirement Management Board component

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$43,419,600

Personnel:

Full time	0
Part time	0
Total	0

Component: Permanent Fund Dividend Division

Contribution to Department's Mission

The mission of the Permanent Fund Dividend Division is timely payment of dividends to eligible Alaskans.

Core Services

- Administration of the annual application and eligibility process
- Investigation and prosecution of PFD fraud
- Administration of the appeals process for denied applicants
- Garnishee dividends as allowed by law
- Collection of dividend payments made to ineligible applicants
- Payment of the annual dividend to all eligible applicants
- Provide accurate and secure application information from the PFD database via the internet, phone, and in person

End Result	Strategies to Achieve End Result
<p>A: All eligible Alaskans, whose applications are not on appeal, receive their Permanent Fund Dividend in October or November.</p> <p><u>Target #1:</u> 100% of eligible applicants not on appeal are paid in October (by direct deposit) or November (by warrant).</p> <p><u>Status #1:</u> 98.9% of eligible Permanent Fund Dividend applicants not on appeal were paid in October (by direct deposit) or November (by warrant) for the 2007 dividend payment.</p>	<p>A1: Provide staff with needed training to perform effectively.</p> <p><u>Target #1:</u> 100% of new staff receive standardized training within first three months of employment with PFD.</p> <p><u>Status #1:</u> During 2007, 100% of new staff received standardized training within the first three months of employment with PFD.</p> <p>A2: Manage resource allocation to maximize use of staff for public response and eligibility.</p> <p><u>Target #1:</u> 100% of non-managerial eligibility staff are cross-trained to work in all functional areas of eligibility and public response.</p> <p><u>Status #1:</u> During 2007, 100% of non-managerial eligibility staff were cross-trained to work in all functional areas of eligibility and public response.</p> <p>A3: Increase use by the public of online PFD filing and applicant support services.</p> <p><u>Target #1:</u> Increase the percentage of PFD applications filed online each year.</p> <p><u>Status #1:</u> During 2008, 70.7% of PFD applications were filed online, an increase of 4.1% over the previous year.</p>
End Result	Strategies to Achieve End Result
<p>B: Fraudulently filed PFD applications are identified, denied/assessed, and administrative, civil or</p>	<p>B1: Move responsibility for applicant audits to eligibility staff in 2008.</p>

criminal penalties applied as provided by law.

Target #1: Improve the rate at which fraud cases are identified and receive administrative, civil, or criminal penalties.

Status #1: In 2007, all 313 fraud cases identified resulted in either administrative, civil, or criminal penalties.

Target #1: Identify and implement audits as fraudulent patterns emerge.

Status #1: This is a new measure for 2008; data will be reported in January, 2009.

Major Activities to Advance Strategies

- Expand functionality of online applicant status inquiry and information maintenance
- Complete DAIS IV, the detailed payment system interface for the application database
- Increase the number of prosecuted fraud cases and publicize them accordingly
- Provide standardized training to all new staff, and ongoing specialized training to technical staff
- Allocate staff across unit lines to address peak workload and application bottlenecks

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$7,640,800

Personnel:

Full time	79
Part time	14
Total	93

Performance

A: Result - All eligible Alaskans, whose applications are not on appeal, receive their Permanent Fund Dividend in October or November.

Target #1: 100% of eligible applicants not on appeal are paid in October (by direct deposit) or November (by warrant).

Status #1: 98.9% of eligible Permanent Fund Dividend applicants not on appeal were paid in October (by direct deposit) or November (by warrant) for the 2007 dividend payment.

Eligible Applicants Paid in October or November

Year	Percentage Paid
2007	98.9%
2006	99.6%
2005	96.0%
2004	94.0%
2003	93.7%

Methodology: Based on calendar year; 2008 data will be reported in January, 2009.

Analysis of results and challenges: The division exceeded the goal of 98% set for 2007. This can be attributed to additional increases in on-line filing, increased use of automation in processing, cross-utilization of staff, and implementation of the new Dividend Application Information System (DAIS II).

A1: Strategy - Provide staff with needed training to perform effectively.

Target #1: 100% of new staff receive standardized training within first three months of employment with PFD.

Status #1: During 2007, 100% of new staff received standardized training within the first three months of employment with PFD.

Standardized Training of Staff Within First Three Months

Year	% of Staff Trained
2007	100%
2006	100%
2005	100%
2004	50%

Methodology: Based on calendar year; 2008 data will be reported in January, 2009.

Analysis of results and challenges: Standardized training was developed and implemented between December 2003 and January 2004. This training is proving to be effective for all staff and is updated with each session taught. All new employees were given this training in 2007.

A2: Strategy - Manage resource allocation to maximize use of staff for public response and eligibility.

Target #1: 100% of non-managerial eligibility staff are cross-trained to work in all functional areas of eligibility and public response.

Status #1: During 2007, 100% of non-managerial eligibility staff were cross-trained to work in all functional areas of eligibility and public response.

Staff Trained to Work in Other Functional Areas

Year	% of Staff
2007	100%
2006	100%
2005	100%
2004	75%

Methodology: Based on calendar year; 2008 data will be reported in January, 2009.

Analysis of results and challenges: The new PFD job classification scheme is based on cross-training of all technical staff. Unit lines were eliminated January 1, 2008. Eligibility and public response is being performed by all technicians, and each functional area (i.e. phones, email, eligibility) is being resource allocated according to division needs.

A3: Strategy - Increase use by the public of online PFD filing and applicant support services.

Target #1: Increase the percentage of PFD applications filed online each year.

Status #1: During 2008, 70.7% of PFD applications were filed online, an increase of 4.1% over the previous year.

Applicants Using Online Filing

Year	% of Online Filers	% Change from Prior Year
2008	70.7%	4.1%
2007	66.6%	9.5%
2006	57.1%	23.1%
2005	34.0%	8.8%
2004	25.2%	0.3%
2003	24.9%	10.9%
2002	14.0%	--

Analysis of results and challenges: The number of PFD applicants using online filing continues to increase

annually.

B: Result - Fraudulently filed PFD applications are identified, denied/assessed, and administrative, civil or criminal penalties applied as provided by law.

Target #1: Improve the rate at which fraud cases are identified and receive administrative, civil, or criminal penalties.

Status #1: In 2007, all 313 fraud cases identified resulted in either administrative, civil, or criminal penalties.

Fraudulent PFD Cases

Year	Fraud Cases Identified	Civil/Criminal Penalties	Administrative Penalties
2007	313	31	282

Methodology: This measure was implemented in 2007 and is based on calendar year; 2008 data will be reported in January, 2009.

Analysis of results and challenges: Through 2007, the PFD fraud investigators were responsible for creating and processing applicant eligibility audits in addition to investigating actual cases of fraud. This had an overall effect of reducing the amount of time spent identifying and investigating fraud cases. Beginning in 2008, applicant audits will be performed by eligibility staff which will allow investigators more time to identify fraudulent cases and follow through with administrative, civil or criminal penalties.

B1: Strategy - Move responsibility for applicant audits to eligibility staff in 2008.

Target #1: Identify and implement audits as fraudulent patterns emerge.

Status #1: This is a new measure for 2008; data will be reported in January, 2009.

Analysis of results and challenges: Beginning in 2008, applicant eligibility audits will be performed by eligibility staff rather than by fraud investigators. This change will allow fraud investigators more time to identify fraudulent cases and follow through with administrative, civil, or criminal penalties.

Component: Resource Rebate**Contribution to Department's Mission**

The resource rebate program provided eligible residents of the state with a one-time payment to distribute a portion of the state's resources.

Core Services

- Issue a one-time \$1,200 payment in FY2009 to eligible Alaskans.

FY2010 Resources Allocated to Achieve Results**FY2010 Component Budget: \$0****Personnel:**

Full time 0

Part time 0

Total 0

RDU/Component: Child Support Services Division*(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)***Contribution to Department's Mission**

The mission of the Child Support Services Division is to collect and distribute child support.

Core Services

- Establish paternity and child support
- Review and adjust cases
- Enforce cash and medical support

End Result	Strategies to Achieve End Result
<p>A: Collection and disbursement of child support due to the children served by CSSD.</p> <p><u>Target #1:</u> Increase collections by 3%, net of Permanent Fund Dividend collections.</p> <p><u>Status #1:</u> FY2008 collections net of Permanent Fund Dividends increased 3.25% over FY2007.</p> <p><u>Target #2:</u> Increase disbursements of child support payments by 1.8%.</p> <p><u>Status #2:</u> The increase in collections from Permanent Fund Dividend and the federal economic stimulus program combined with collections through other means resulted in increased disbursements of \$6 million during FY2008, or 5.55% more than FY2007.</p>	<p>A1: Improve the environment necessary for increased collections.</p> <p><u>Target #1:</u> Ensure that paternitys established are at least 100%.</p> <p><u>Status #1:</u> The percentage of paternitys established in FFY08 was 95%, an increase of 4% from the prior year.</p> <p><u>Target #2:</u> Increase cases with orders to 93.5%.</p> <p><u>Status #2:</u> The division has increased cases with orders by 0.2% over the prior fiscal year.</p> <p><u>Target #3:</u> Increase current collections to 56%.</p> <p><u>Status #3:</u> Current collections for FFY08 are at 58.1%, an increase from the prior year of 1.5%.</p> <p><u>Target #4:</u> Increase number of cases with arrearage collections to 71%.</p> <p><u>Status #4:</u> The percentage of cases with collections on arrearages for FFY08 was 67.9%, an increase from the prior year by 1%.</p> <p><u>Target #5:</u> Ensure that the cost effectiveness ratio is at least \$4.10.</p> <p><u>Status #5:</u> The cost effectiveness ratio for FFY08 is \$4.75, an increase of \$0.34 from the prior year.</p> <p><u>Target #6:</u> Reduce cases with no collections for one year or more to 12% or less of cases eligible for collections.</p> <p><u>Status #6:</u> Cases with no collections for one year or more was 11.78% in FY2008, a decrease of 0.45% from FY2007.</p> <p>A2: Improve the efficiency of distributing child support.</p> <p><u>Target #1:</u> Increase recipients on automated distribution</p>

	<p>to 60%.</p> <p><u>Status #1:</u> Recipients on automated distribution during FY2008 was 63.93%, an increase over FY2007 of 2.83%.</p> <p><u>Target #2:</u> Ensure that money on hold, less those categories that are out of the division's control, is less than 0.4% (four-tenths of a percent).</p> <p><u>Status #2:</u> Money on hold during FY2008 was 0.420%, an increase of 0.166% over FY2007.</p> <p>A3: Improve customer service.</p> <p><u>Target #1:</u> Wait times for telephone calls are reduced to an average of 3 minutes.</p> <p><u>Status #1:</u> Average wait times for telephone calls during FY2008 were 3.2 minutes, an increase of 0.6 minutes over FY2007 attributable to additional time spent answering questions concerning the garnishment of the federal economic stimulus payments.</p>
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Major Activities to Advance Strategies

- Improve communications and processes with clients and other state and federal agencies.
- Continue the work of the special collections unit.
- Prosecute criminal non-support when appropriate.
- Review and adjust cases, establish paternity, locate employers and assets of non-custodial parents, and create and modify support orders.
- Increase electronic payments and disbursements of child support through outreach to our clients by making clients aware of the options available.
- Institute full collection of arrearages for the passport denial/release program.
- Continue to notify clients of the change in the amount of arrearages on the passport denial program from a \$5000 to \$2500 threshold.
- Expand the state-owed arrearage abatement program.
- Provide presentations and outreach to businesses, non-profits and faith-based organizations, ethnic populations, schools, and mass media.
- Work on improving customer service by providing more personal contact; respond timely with written responses to our clients' questions and concerns.
- Provide employers' with the option of reporting employment information on-line.
- Provide our clients with the ability to look up their statement on-line.

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$25,350,800	Personnel:	
	Full time	231
	Part time	0
	Total	231

Performance

A: Result - Collection and disbursement of child support due to the children served by CSSD.

Target #1: Increase collections by 3%, net of Permanent Fund Dividend collections.

Status #1: FY2008 collections net of Permanent Fund Dividends increased 3.25% over FY2007.

Percent Change in Total Collections for a Fiscal Year

Fiscal Year	% Change
FY 2008	3.25%
FY 2007	3.66%
FY 2006	3.72%
FY 2005	1.92%
FY 2004	4.2%
FY 2003	6.2%

Analysis of results and challenges: FY2008 collections net of Permanent Fund Dividends increased 3.25% over FY2007. While this increase was more than projected, over \$1 million was the result of the one time federal economic stimulus program without which the increase would have only been 2.2%. This would represent a decrease from FY2007, the result of the difficulty in maintaining a stable workforce.

Target #2: Increase disbursements of child support payments by 1.8%.

Status #2: The increase in collections from Permanent Fund Dividend and the federal economic stimulus program combined with collections through other means resulted in increased disbursements of \$6 million during FY2008, or 5.55% more than FY2007.

Disbursements of Child Support Payments

Fiscal Year	% of Change
FY 2008	5.55%
FY 2007	4.85%
FY 2006	1.45%
FY 2005	1.77%

Analysis of results and challenges: This measure works with the amount of collections received in the fiscal year; if collections have increased then disbursements should also increase. This measure also works in conjunction with the "money on hold" measure (see CSSD strategy A2, measure #2); if there is less money on hold then disbursements should also increase.

A1: Strategy - Improve the environment necessary for increased collections.

Target #1: Ensure that paternities established are at least 100%.

Status #1: The percentage of paternities established in FFY08 was 95%, an increase of 4% from the prior year.

Percentage of Paternities Established

Fiscal Year	% Established
FFY 2008	95%
FFY 2007	91%
FFY 2006	98%
FFY 2005	105%
FFY 2004	87%

Analysis of results and challenges: Percentage of paternities established is measured by the federal government by taking the number of children statewide with paternity established or acknowledged in the current fiscal year (3,829 in FFY08) divided by the number of children born out of wedlock statewide for the prior fiscal year (4,047 in FFY07), which is 95%.

The number of paternities established since FFY 2005 has decreased, however the number of cases in the division needing paternity established has also decreased. This indicates that contingent factors out of the division's control are contributing to this decline; for instance, if the cases are still working their way through the court system or there is no attempt made by the family to establish paternity.

Target #2: Increase cases with orders to 93.5%.

Status #2: The division has increased cases with orders by 0.2% over the prior fiscal year.

Percentage of Cases with Orders

Fiscal Year	Cases with Orders	Change from Prior Year
FY 2008	93.9%	0.2%
FY 2007	93.7%	0.5%
FY 2006	93.2%	0.9%
FY 2005	92.3%	7.6%
FY 2004	84.7%	3.7%

Analysis of results and challenges: A case is eligible for collection when a court or administrative order has been established. Collections cannot be made without a proper order in place. Establishing this quickly and effectively is one of the keys to a successful child support program. Reviewing and streamlining the division's process in establishing orders will aid in the timeliness of collecting and distributing child support. The division continues to improve in this measure each year.

Target #3: Increase current collections to 56%.

Status #3: Current collections for FFY08 are at 58.1%, an increase from the prior year of 1.5%.

Percentage of Current Collections

Fiscal Year	% of Collections
FFY 2008	58.1%
FFY 2007	56.6%
FFY 2006	54.9%
FFY 2005	52.0%
FFY 2004	54.2%

Analysis of results and challenges: In addition to being a main component of any child support program, collecting current money due is crucial to the financial well-being of the children it is intended to benefit. Increased information systems for new hires with the federal government and Alaska employers will enhance our ability to streamline the withholding process, improving the overall ability to collect current support quickly.

Target #4: Increase number of cases with arrearage collections to 71%.

Status #4: The percentage of cases with collections on arrearages for FFY08 was 67.9%, an increase from the prior year by 1%.

Percentage of Cases with Arrearage Collections

Fiscal Year	% of Cases
FFY 2008	67.9%
FFY 2007	66.9%
FFY 2006	66.5%
FFY 2005	67.9%
FFY 2004	65.4%

Analysis of results and challenges: A higher concentration on cases with special collection needs will help the division to increase overall collections. CSSD, through a grant with the Department of Justice, assembled a team to focus on those cases that are hard to collect. This special collections program began in October, 2005 and ended in October, 2007. The division is continuing the important work of the special collections unit and we expect to continue to see improved results in this area.

Target #5: Ensure that the cost effectiveness ratio is at least \$4.10.

Status #5: The cost effectiveness ratio for FFY08 is \$4.75, an increase of \$0.34 from the prior year.

Cost Effectiveness Ratio

Fiscal Year	Ratio
FFY 2008	\$4.75
FFY 2007	\$4.41
FFY 2006	\$4.24
FFY 2005	\$4.52
FFY 2004	\$4.42

Analysis of results and challenges: The cost effectiveness ratio for FFY08 is \$4.75, which is an increase of \$0.34 from the prior year. This means that for every \$1.00 spent in operating dollars the division collected \$4.75 in child support.

Two components, expenses and collections, figure into this target. Overall, showing the highest possible amount of collections for the least amount spent is highly sought. The increase in our cost effectiveness for FFY08 is a direct result of increased collections for that period due in part to the economic stimulus checks as well as an increased permanent fund dividend. However, in order to continue to maintain a high level of cost effectiveness the division must be able to increase collections by approximately four and one-half times more than the increase in expenses.

Additionally, CSSD anticipates that FFY09 and FFY10 could see a decline in our cost effectiveness. As the cost of doing business continues to increase, the amount of these increases in expenditures significantly outpaces our ability to increase collections, resulting in lower cost effectiveness.

Target #6: Reduce cases with no collections for one year or more to 12% or less of cases eligible for collections.

Status #6: Cases with no collections for one year or more was 11.78% in FY2008, a decrease of 0.45% from FY2007.

Cases With No Collections for 1 Year or More

Fiscal Year	Percentage of Cases	Change from Prior Year
FY 2008	11.78%	-0.45%
FY 2007	12.23%	-0.41%
FY 2006	12.64%	-0.28%
FY 2005	12.92%	-10.08%
FY 2004	23%	NA

Analysis of results and challenges: A case is eligible for collection when a court or administrative order has been established. In FY2008, 93.9% of the division's cases had orders, leaving 6.1% without orders and therefore ineligible for collection.

An analysis of outstanding child support collections showed a relationship between those cases with the highest outstanding balances and those with no recent collections. A portion of the cases with no collections for one year or more are designated as "hard to collect" and are assigned to a specialized team of child support specialists. FY2008 is the fourth consecutive year that the percentage of cases with no collections has decreased relative to the prior year. This is the result of continued work by the special collections unit on extremely difficult to enforce cases.

A2: Strategy - Improve the efficiency of distributing child support.

Target #1: Increase recipients on automated distribution to 60%.

Status #1: Recipients on automated distribution during FY2008 was 63.93%, an increase over FY2007 of 2.83%.

Recipients Receiving Automated Distribution

Fiscal Year	% of Recipients	Change from Prior Year
FY 2008	63.93%	2.83%
FY 2007	61.10%	5.58%
FY 2006	55.52%	3.43%
FY 2005	52.09%	3.39%
FY 2004	48.7%	NA

Analysis of results and challenges: In addition to improving the timeliness of distribution of the funds to recipients and the ease with which they can access their money, automated distribution greatly reduces the costs associated with disbursing money. The division saw great success in increasing the number of clients utilizing an electronic payment method to receive their child support in FY2007. This was accomplished by sending an informational flyer to every client that receives a paper check to encourage them to sign up for one of the two electronic payment options that the division offers. This approach was continued in FY2008 with two mailings undertaken during the year to encourage individuals to sign up for automated distribution.

Target #2: Ensure that money on hold, less those categories that are out of the division's control, is less than 0.4% (four-tenths of a percent).

Status #2: Money on hold during FY2008 was 0.420%, an increase of 0.166% over FY2007.

Percentage of Money on Hold

Fiscal Year	Percentage	Change from Prior Year
FY 2008	0.420%	0.166%
FY 2007	0.254%	-0.151%
FY 2006	0.405%	-0.143%
FY 2005	0.548%	0.458%
FY 2004	0.9%	-0.189%

Analysis of results and challenges: CSSD experienced a slight increase in the percentage of money on hold during FY2008 that is attributable to the difficulty in maintaining a stable workforce. The decrease of undistributed collections continues to be a national priority for the federal Office of Child Support. The division will continue to closely monitor money on hold categories and distribute all monies received as quickly as possible.

A3: Strategy - Improve customer service.

Target #1: Wait times for telephone calls are reduced to an average of 3 minutes.

Status #1: Average wait times for telephone calls during FY2008 were 3.2 minutes, an increase of 0.6 minutes over FY2007 attributable to additional time spent answering questions concerning the garnishment of the federal economic stimulus payments.

Average Minutes of Telephone Call Wait Time

Fiscal Year	Average Minutes
FY 2008	3.2
FY 2007	2.6
FY 2006	3.6
FY 2005	3.0
FY 2004	2.6

Analysis of results and challenges: FY2008 saw an increase in wait times for customers on average of approximately 0.6 minutes from FY2007. The division attributes this increase in wait times to the additional time spent answering client questions concerning the garnishment of the federal economic stimulus funds. The division will continue to work on reducing wait times as much as possible.

Administration and Support Results Delivery Unit**Contribution to Department's Mission**

The mission of the Department of Revenue is to collect, distribute and invest funds for public purposes.

FY2010 Resources Allocated to Achieve Results**FY2010 Results Delivery Unit Budget: \$3,714,300****Personnel:**

Full time 20

Part time 0

Total 20

Component: Commissioner's Office**Contribution to Department's Mission**

The mission of the Department of Revenue is to collect, distribute and invest funds for public purposes.

Core Services

- Management oversight of division programs
- Coordination, development and promotion of programs for collection and investment of public funds
- Formulation of specific recurring revenue sources
- Provide controls and enforcement for the collection, investment and payment of funds (Permanent Fund Dividend, Child Support Services, Tax and Treasury Divisions)

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$1,038,700

Personnel:

Full time	5
Part time	0
Total	5

Component: Administrative Services

Contribution to Department's Mission

The mission of the Administrative Services Division is to provide support services for departmental programs.

Core Services

- Financial accounting
- Budget development and implementation
- Certification of financial transactions
- Travel desk coordination, training, and assistance
- Policy and procedure development
- Purchasing delegations, training, and advice
- Professional and non-professional procurement of goods and services for divisions
- Financial management and contract administration of gas line development and Alaska Natural Gas Development Authority projects
- Staff development and structure reorganization support
- Records Management
- State Property Management
- Desktop network and other computer services
- IT server administration
- Network security
- Web services
- IT planning services
- Database administration

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$1,562,600

Personnel:

Full time	15
Part time	0
Total	15

Component: State Facilities Rent**Contribution to Department's Mission**

This component holds funding for payment of rent to the Public Building Fund, which funds necessary maintenance and helps prevent future deferred maintenance problems in the eight buildings in the state facilities rent pool.

Core Services

- Not applicable

FY2010 Resources Allocated to Achieve Results**FY2010 Component Budget: \$342,000****Personnel:**

Full time 0

Part time 0

Total 0

Component: Natural Gas Commercialization**Contribution to Department's Mission**

To provide analytical support for the commercialization of North Slope natural gas.

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$771,000

Personnel:

Full time	0
Part time	0
Total	0

RDU/Component: Gas Authority Operations*(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)***Contribution to Department's Mission**

To finance, design, construct, maintain and/or own all or part of a pipeline system to transport North Slope gas to market and maximize the benefits to Alaska and Alaskans.

FY2010 Resources Allocated to Achieve Results**FY2010 Component Budget: \$312,100****Personnel:**

Full time	4
Part time	0
Total	4

Alaska Mental Health Trust Authority Results Delivery Unit**Contribution to Department's Mission**

Please see component narratives.

FY2010 Resources Allocated to Achieve Results**FY2010 Results Delivery Unit Budget: \$3,208,200****Personnel:**

Full time 18

Part time 0

Total 18

Component: Mental Health Trust Operations

Contribution to Department's Mission

The mission of the Alaska Mental Health Trust Authority is to administer the Alaska Mental Health Trust as a perpetual trust and to ensure a comprehensive and integrated mental health program to improve the lives of beneficiaries.

Core Services

- Manage Trust cash and non-cash assets
- Provide leadership in advocacy and planning around beneficiary related issues
- Ensure funding of a comprehensive integrated mental health program
- Spend Trust income to improve the lives and circumstances of Trust beneficiaries

End Result	Strategies to Achieve End Result
<p>A: Increase quality of life for Trust beneficiaries through Trust funding and partnering.</p> <p><u>Target #1:</u> Trust funded projects will document services to at least 5,000 beneficiaries annually. <u>Status #1:</u> Not Available</p> <p><u>Target #2:</u> 75% of Trust funded projects will report direct beneficiary improvements in quality of life. <u>Status #2:</u> Not Available</p> <p><u>Target #3:</u> Trust grants will score 9 points or above on an overall achievement on the grant evaluation scale of 13. <u>Status #3:</u> Not Available</p> <p><u>Target #4:</u> A survey of the general public, conducted every other year, will show increasing positive awareness of beneficiaries and their issues. <u>Status #4:</u> Not Available</p>	<p>A1: Protect Trust cash assets and maximize revenues from them.</p> <p><u>Target #1:</u> 5% total real return on Trust Fund at Alaska Permanent Fund Corporation (APFC). <u>Status #1:</u> Poor market performance resulted in a (6.43)% real return during FY2008.</p> <p><u>Target #2:</u> Maintain Reserve account at 400% annual payout. <u>Status #2:</u> The percentage of reserve account maintained during FY2008 was 467%, which is 117% of the targeted 400% reserve.</p> <p><u>Target #3:</u> \$1 million in interest income annually from the GEFONSI account. <u>Status #3:</u> Interest earned in FY2008 was \$1,846,171 or 185% of the \$1 million target. This is an increase over the 162% generated during FY2007.</p> <p><u>Target #4:</u> 1.5% return on intermediate fund invested at Treasury. <u>Status #4:</u> Poor market returns resulted in a (5%) return for these accounts in FY2008. This is in contrast to the 15.7% returns realized during FY2007.</p> <p><u>Target #5:</u> Annually, Trust Authority administrative overhead shall not exceed 10% of total Trust income available for expenditure. <u>Status #5:</u> This is a new measure; data will be reported at the end of FY2009.</p> <p>A2: Maximize revenues from Trust non-cash assets.</p> <p><u>Target #1:</u> Trust Land Office will meet annual spendable</p>

	<p>income goal. <u>Status #1:</u> The income goal for FY2008 was \$2.6 million; the amount achieved was \$2.7 million.</p> <p><u>Target #2:</u> Trust Land Office will meet annual principal revenue goal. <u>Status #2:</u> The principal revenue goal for FY2008 was \$5 million; the amount achieved was \$9.1 million.</p> <p>A3: Assure funding of the Comprehensive Integrated Mental Health Program.</p> <p><u>Target #1:</u> Budget 4.25% of Trust Funds annually for programmatic spending as set by Asset Management Policy approved by Board of Trustees. <u>Status #1:</u> The payout of Trust Funds during FY2008 was \$19,085,054 or 4%.</p> <p><u>Target #2:</u> The Mental Health Budget Bill will increase at least 2% annually in fund sources other than Trust income. <u>Status #2:</u> This is a new measure; data will be reported at the end of FY2009.</p> <p><u>Target #3:</u> 80% of Trust grant agreements and resultant funding dissemination will be completed within 90 days after Trustee or administrative approval. <u>Status #3:</u> This is a new measure; data will be reported at the end of FY2009.</p> <p><u>Target #4:</u> At least 50% of MHTAAR funded projects and 80% of Small Projects funded with Trust Income will report beneficiary-related performance outcome measures. <u>Status #4:</u> 100% of Trust income funded projects reported beneficiary-related performance outcome measures during FY2008. This measure will be discontinued in FY2009.</p> <p>A4: Leverage Trust funds with funds from private corporations, foundations and other sources for beneficiary related projects.</p> <p><u>Target #1:</u> Leverage \$5.00 for every \$1.00 of Trust funding. <u>Status #1:</u> \$2.62 was leveraged for every dollar of Trust funding during FY2008.</p> <p><u>Target #2:</u> Generate 12 partners for MHTAAR partnering projects outside of state government. <u>Status #2:</u> The Trust generated 11 non-state primary partners for partnership grants during FY2008. This measure will be discontinued in FY2009.</p> <p>A5: Provide leadership in advocacy and planning around improving lives of beneficiaries.</p>
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	<p>Target #1: Work to develop/change at least two policies/programs to improve/protect the lives of beneficiaries.</p> <p>Status #1: Work was accomplished during FY2008 on two programs to improve/protect the lives of beneficiaries.</p> <p>Target #2: Comprehensive Integrated Mental Health Plan's Score Card of beneficiary status and DHSS Division Dashboards of service quality will be updated and used annually in planning and used in at least three advocacy presentations.</p> <p>Status #2: This is a new measure; data will be reported at the end of FY2009.</p>
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Major Activities to Advance Strategies

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|---|--|
| <ul style="list-style-type: none"> • Produce monthly financial reports for Trustees. • Calculate and complete annual payout. • Coordinate cash management with Alaska Permanent Fund Corporation and Department of Revenue's Treasury Division. • Prepare and distribute annual report. • Support the Board of Trustees and their committees. • Support and provide oversight for five focus area implementation workgroups in their strategic planning. • Provide efficient and accountable Trust Office Administration. • Work with Trust advisory bodies, consumers and provider groups to access needs of beneficiaries. • Conduct annual budget recommendations planning process (BRPP) with advisory groups and statutory advisors. • Develop budget recommendations from the BRPP for the Governor and Legislative Budget & Audit Committee by Sept. 15 for the Mental Health budget bill. | <ul style="list-style-type: none"> • Implement MHTAAR and Authority grant audit process. • Work with governor and legislature to finalize funding in the Mental Health budget bill. • Assure implementation of funding as approved by Trustees through sound grants administration. • Develop partnerships and other independently administered projects to leverage funds. • Develop funding agreements and performance measures for Trust funding projects; monitor and report results and impacts to Trustees. • Work with Trust advisory bodies, departments, consumers and provider groups to evaluate effectiveness of MHTAAR funded projects. • Partner with DHSS to develop Comprehensive Integrated Mental Health Plan. • Provide leadership among partners through sponsoring collaborative meetings between staff and board members of advisory groups and statutory advisors. • Provide technical assistance for and participate on the Communications and Advocacy Committee |
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FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$2,680,000

Personnel:

Full time	14
Part time	0
Total	14

Performance

A: Result - Increase quality of life for Trust beneficiaries through Trust funding and partnering.

Target #1: Trust funded projects will document services to at least 5,000 beneficiaries annually.

Status #1: Not Available

Target #2: 75% of Trust funded projects will report direct beneficiary improvements in quality of life.

Status #2: Not Available

Target #3: Trust grants will score 9 points or above on an overall achievement on the grant evaluation scale of 13.

Status #3: Not Available

Target #4: A survey of the general public, conducted every other year, will show increasing positive awareness of beneficiaries and their issues.

Status #4: Not Available

A1: Strategy - Protect Trust cash assets and maximize revenues from them.

Target #1: 5% total real return on Trust Fund at Alaska Permanent Fund Corporation (APFC).

Status #1: Poor market performance resulted in a (6.43)% real return during FY2008.

Total Real Return on Trust Fund by APFC

Fiscal Year	Rate of Return
FY 2008	(6.43)%
FY 2007	13.45%
FY 2006	7.43%
FY 2005	7.49%
FY 2004	11.9%

Analysis of results and challenges: APFC's current goal is to earn about 5% over the rate of inflation in the long run.

Target #2: Maintain Reserve account at 400% annual payout.

Status #2: The percentage of reserve account maintained during FY2008 was 467%, which is 117% of the targeted 400% reserve.

Budget Reserve Account Maintained

Fiscal Year	% Reserve Maintained	% of Goal
FY 2008	467%	117%
FY 2007	474%	119%
FY 2006	355%	89%
FY 2005	568%	142%
FY 2004	646%	162%

Methodology: Percentage is calculated on the annual payout as of June 30 each year.

Analysis of results and challenges: The Trust used a consultant to recommend methods to assure consistent funding levels for the Integrated Comprehensive Mental Health Program and a 400% reserve account was

recommended and adopted by the Board of Trustees. This reserve account has proven essential over the last three years during the downturn in the investment market to keeping funding available when other philanthropy organizations and funding corporations from the State of Alaska have reduced funding.

Target #3: \$1 million in interest income annually from the GEFONSI account.

Status #3: Interest earned in FY2008 was \$1,846,171 or 185% of the \$1 million target. This is an increase over the 162% generated during FY2007.

Percentage of \$1 Million Interest Income Earned

Fiscal Year	Interest Earned	% of \$1 Million
FY 2008	\$1,846,171	185%
FY 2007	\$1,620,100	162%
FY 2006	\$937,996	94%
FY 2005	\$923,747	92.4%
FY 2004	\$1,068,566	106%

Analysis of results and challenges: The interest earned is from the Trust account that holds funds for current year expenditures by state agencies. Investment funds are held at the Department of Revenue, Treasury Division or at the Alaska Permanent Fund Corporation.

Target #4: 1.5% return on intermediate fund invested at Treasury.

Status #4: Poor market returns resulted in a (5%) return for these accounts in FY2008. This is in contrast to the 15.7% returns realized during FY2007.

Actual Rate of Return on Intermediate Fund

Fiscal Year	Rate of Return
FY 2008	(5.0)%
FY 2007	15.7%
FY 2006	1.6%
FY 2005	3.05%
FY 2004	1.829%

Target #5: Annually, Trust Authority administrative overhead shall not exceed 10% of total Trust income available for expenditure.

Status #5: This is a new measure; data will be reported at the end of FY2009.

A2: Strategy - Maximize revenues from Trust non-cash assets.

Target #1: Trust Land Office will meet annual spendable income goal.

Status #1: The income goal for FY2008 was \$2.6 million; the amount achieved was \$2.7 million.

Trust Land Office Spendable Income Earned

Fiscal Year	Income Goal	Income Earned
FY 2008	\$2.6 million	\$2.7 million
FY 2007	\$2.6 million	\$3.6 million
FY 2006	\$2.6 million	\$3.6 million
FY 2005	\$2.6 million	\$3.0 million
FY 2004	\$2.4 million	\$2.6 million

Analysis of results and challenges: The Spendable Income goal is established each fiscal year and is based on

the approved Business Plan. Actual revenues received are predicated on the timing for implementing multi-year transactions. Revenue might be received in a different fiscal year than anticipated based on economic factors and business plans of our partners.

Target #2: Trust Land Office will meet annual principal revenue goal.

Status #2: The principal revenue goal for FY2008 was \$5 million; the amount achieved was \$9.1 million.

Trust Land Office Principal Earned

Fiscal Year	Principal Goal	Principal Earned
FY 2008	\$5.0 million	\$9.1 million
FY 2007	\$5.0 million	\$7.743 million
FY 2006	\$5.7 million	\$3.6 million
FY 2005	\$5.3 million	\$14.6 million
FY 2004	\$4.4 million	\$8.5 million

Analysis of results and challenges: The Principal Revenue goal is established each fiscal year and is based on the approved Business Plan. Revenue might be received in a different fiscal year than anticipated based on economic factors and business plans of our partners. The shortfall in revenue for FY06 can be attributed to several multi-year transactions that were completed ahead of schedule in FY05 and were accounted for in that year.

A3: Strategy - Assure funding of the Comprehensive Integrated Mental Health Program.

Target #1: Budget 4.25% of Trust Funds annually for programmatic spending as set by Asset Management Policy approved by Board of Trustees.

Status #1: The payout of Trust Funds during FY2008 was \$19,085,054 or 4%.

Trust Income Allocated to MHTAAR Projects and Percentage of Trust Fund Payout

Fiscal Year	Total Payout	Land Income	Interest Income	Other*	YTD Total	% of Payout
FY 2008	\$19,085,054	\$3,428,312	\$1,620,108	\$2,770,922	\$26,904,396	4%
FY 2007	\$16,627,397	\$3,543,092	\$967,031	\$1,895,151	\$23,032,671	4%
FY 2006	\$14,607,471	\$3,009,923	\$923,747	\$3,941,634	\$22,482,775	3.75%
FY 2005	\$12,398,993	\$2,623,101	\$1,068,566	\$2,404,691	\$18,495,351	3.5%
FY 2004	\$11,039,434	\$2,532,089	\$1,219,856	\$3,944,649	\$18,736,028	3.5%

Methodology: *Other funds:

FY2007 - Prior year lapsed funds

FY2006 - Prior year lapsed funds

FY2005 - Prior year lapsed funds

FY2004 - \$500,000 unspent Trust Land Office CIP funds returned and \$3,444,649.22 prior year lapsed funds

Analysis of results and challenges: The Trustees set a payout rate, interest income and land income rates that will maximize available income while ensuring a perpetual Trust and keep the annual revenues for funding the integrated comprehensive mental health program secure during sustained market downturns. The annual payout was raised for FY2007 from 3.75% to 4.0%.

Target #2: The Mental Health Budget Bill will increase at least 2% annually in fund sources other than Trust income.

Status #2: This is a new measure; data will be reported at the end of FY2009.

Target #3: 80% of Trust grant agreements and resultant funding dissemination will be completed within 90 days after Trustee or administrative approval.

Status #3: This is a new measure; data will be reported at the end of FY2009.

Target #4: At least 50% of MHTAAR funded projects and 80% of Small Projects funded with Trust Income will report beneficiary-related performance outcome measures.

Status #4: 100% of Trust income funded projects reported beneficiary-related performance outcome measures during FY2008. This measure will be discontinued in FY2009.

Trust Funded Projects Reporting Beneficiary-related Performance Outcomes

Fiscal Year	MHTAAR Projects	Small Projects
FY 2008	100%	100%
FY 2007	100%	100%
FY 2006	85%	100%
FY 2005	80%	100%
FY 2004	85%	100%

Analysis of results and challenges: FY2008 Result: 100% of Small Projects have beneficiary-related performance measures written into their funding agreements. All of the MHTAAR/Authority grants that are appropriate have performance outcome measures that relate to directly serving beneficiaries written into their grants.

The Trust is dedicated to assuring that its resources are expended to improve the lives of Trust beneficiaries. Each project approved and funded with Trust Income is required to set performance measures and to report at the end of the first 6 months and then again annually at the end of each funded year, with a final report done a year after the termination of any project. Each project is measured against the impact it will have on improving the lives of beneficiaries or creating the system capacity to improve beneficiary lives.

A4: Strategy - Leverage Trust funds with funds from private corporations, foundations and other sources for beneficiary related projects.

Target #1: Leverage \$5.00 for every \$1.00 of Trust funding.

Status #1: \$2.62 was leveraged for every dollar of Trust funding during FY2008.

Dollars Leveraged for Every Dollar of MHTAAR

Fiscal Year	Partnerships Funded	Non-state Matching Funds	Amount per Trust \$
FY 2008	\$1,000	\$2,620,000	\$2.62
FY 2007	\$750,000	\$12,530,600	\$16.70
FY 2006	\$630,948	\$5,540,725	\$8.80
FY 2005	\$1,117,530	\$19,937,374	\$17.84
FY 2004	\$682,203	\$4,450,150	\$6.52

Analysis of results and challenges: The Trust has been focusing on increasing resources that help to improve the lives of Trust beneficiaries. A proven way the philanthropic community across the nation does this is through leveraging funds with other resources to accomplish mutual goals. The Trust has been increasing leveraging activity each year and continues to place an emphasis on partnering with local, state and national partners but with reductions in federal and state funding availability more grants proposals are coming to The Trust with a lower percentage of leveraged funds.

Target #2: Generate 12 partners for MHTAAR partnering projects outside of state government.

Status #2: The Trust generated 11 non-state primary partners for partnership grants during FY2008. This measure will be discontinued in FY2009.

Non-state Partnerships Funded

Fiscal Year	# Partners	% of Target
FY 2008	11	92%
FY 2007	16	133%
FY 2006	10	83%
FY 2005	34	283%
FY 2004	29	225%

Methodology: Target: 12 partners outside of state government

Analysis of results and challenges: The Trust generated 11 non-state primary partners for partnership grants during FY2008. In addition, there are many more secondary partners for each primary partner, all working together to fund projects.

The Trust has been focusing on increasing resources that help to improve the lives of Trust beneficiaries. A proven way the philanthropic community across the nation does this is through leveraging funds with other resources to accomplish mutual goals. The Trust has been increasing leveraging activity each year and continues to place an emphasis on partnering with local, state and national partners.

A5: Strategy - Provide leadership in advocacy and planning around improving lives of beneficiaries.

Target #1: Work to develop/change at least two policies/programs to improve/protect the lives of beneficiaries.

Status #1: Work was accomplished during FY2008 on two programs to improve/protect the lives of beneficiaries.

Analysis of results and challenges: FY2008 Result:

1. Lead an effort to get a Housing Trust established and succeeded in getting funding to AHFC for some Housing Trust activities to be implemented in FY 2009.
2. Sponsored Coordinated Advocacy Summit of 6 advisory groups for The Trust where a joint advocacy agenda was developed.

The Trust is tasked in statute with providing leadership to improve systems that serve Trust beneficiaries. The challenge for the next few years will be to advocate for healthy public policy around beneficiaries issues during times of government reorganizations and downsizing.

The Trust continued its commitment investing heavily in four areas: Housing, Bring the Kids Home, Disability Justice, and Trust Beneficiary Group Initiatives. The plan for each area can be found at www.mhtrust.org (see link below). The Trust will continue to facilitate the implementation of the strategic plans through collaborative workgroups over the next few years.

The Trust is working with all of its partners to improve evaluation and data collection in order to better meet its statutory mandate to report on the status of the health of Trust beneficiaries and the performance of the comprehensive mental health program. This will continue to be a focus in the future to assure sound information on which to make funding decisions and for making funding recommendations to the state.

Target #2: Comprehensive Integrated Mental Health Plan's Score Card of beneficiary status and DHSS Division Dashboards of service quality will be updated and used annually in planning and used in at least three advocacy presentations.

Status #2: This is a new measure; data will be reported at the end of FY2009.

Component: Long Term Care Ombudsman Office

Contribution to Department's Mission

The mission of Alaska's Office of the Long Term Care Ombudsman is to promote and protect the health, safety, welfare and rights of Alaskan seniors, age 60 and over.

Core Services

- Complaint investigations
- Advocacy
- Education

End Result	Strategies to Achieve End Result
<p>A: Seniors who reside in long term care (LTC) settings will be protected from poor quality of care, environments and/or practices which jeopardize their safety, and from violations to their rights.</p> <p><u>Target #1:</u> 90% of all complaints received are resolved to the satisfaction of the resident or complainant. <u>Status #1:</u> Not Available</p> <p><u>Target #2:</u> The LTCO program shall visit each of the 15 skilled nursing homes and the 250+ assisted living homes in the state at least once per year by volunteer ombudsmen or full time ombudsmen. <u>Status #2:</u> Not Available</p> <p><u>Target #3:</u> Complaints regarding resident quality of care from or on behalf of seniors residing in LTC are reduced by 10% compared to the previous fiscal year. <u>Status #3:</u> During FY2008, 42 complaints were received regarding resident quality of care; this is a decrease of 27.6% from the number of complaints received in FY2007.</p> <p><u>Target #4:</u> Complaints regarding violations of residents' rights from or on behalf of seniors residing in LTC are reduced by 10% compared to the previous fiscal year. <u>Status #4:</u> 54 complaints were received regarding violations of LTC residents' rights in FY2008, a decrease of 26% from FY2007.</p> <p><u>Target #5:</u> Complaints regarding quality of life issues from or on behalf of seniors residing in LTC are reduced by 10% compared to the previous fiscal year. <u>Status #5:</u> 32 complaints were received regarding LTC quality of life issues in FY2008, a 3% decrease in complaints of this type from the prior fiscal year.</p>	<p>A1: Identify, investigate and resolve complaints made by or on behalf of seniors residing in LTC settings.</p> <p><u>Target #1:</u> 95% of intakes received involving abuse complaints where the resident is at risk will have initial investigation by an LTCO within one working day. <u>Status #1:</u> This is a new measure; data will be reported at the end of FY2009.</p> <p><u>Target #2:</u> 95% of intakes received involving abuse complaints where the resident is not at risk will have initial investigation by an LTCO within three working days. <u>Status #2:</u> This is a new measure; data will be reported at the end of FY2009.</p> <p><u>Target #3:</u> 95% of intakes received involving all other types of complaints will have initial investigation by an LTCO within seven working days. <u>Status #3:</u> This is a new measure; data will be reported at the end of FY2009.</p> <p>A2: Ensure the LTCO Program has adequate staffing to meet the needs of the state's elder population.</p> <p><u>Target #1:</u> The number of full-time long term care ombudsmen meets at least the minimum national standard of 1 full-time ombudsman for every 2,000 long term care beds in long term care facilities to ensure facility residents are served in accordance with AS 47.62.015 <u>Status #1:</u> This is a new measure; data will be reported at the end of FY2009.</p> <p><u>Target #2:</u> The number of full-time long term care ombudsmen is adequate to serve older Alaskans, 60</p>

	<p>years old and older, in elder issues not related to long term care facilities in accordance with AS 47.62.015(b). <u>Status #2:</u> This is a new measure; data will be reported at the end of FY2009.</p> <p><u>Target #3:</u> Continue to establish a viable Volunteer Long Term Care Ombudsman program so residents, family and staff at nursing and assisted living homes are aware of and understand residents' rights and the function of the OLTCO. <u>Status #3:</u> This is a new measure; data will be reported at the end of FY2009.</p> <p>A3: Develop and support the creation and maintenance of Family and Resident Councils.</p> <p><u>Target #1:</u> The LTCO Program shall support the development and strengthening of Resident Councils at all nursing homes, especially those with more than 20 residents, and State Pioneer Homes to ensure these councils are an effective voice for elderly LTC residents. <u>Status #1:</u> This is a new measure; data will be reported at the end of FY2009.</p> <p><u>Target #2:</u> The LTCO program shall support the development and strengthening of Family Councils at all nursing homes, especially those with more than 20 residents, and State Pioneer Homes to ensure these councils are an effective voice for elderly LTC residents. <u>Status #2:</u> This is a new measure; data will be reported at the end of FY2009.</p>
End Result	Strategies to Achieve End Result
<p>B: The rights, interests, and well-being of Alaskan seniors, age 60 and older, will be promoted and protected.</p> <p><u>Target #1:</u> Complaints from or on behalf of Alaskan seniors, age 60 or over are reduced by 10% compared to the previous fiscal year. <u>Status #1:</u> The number of complaints received in all categories decreased during FY2008 by 27.4% when compared to the prior fiscal year.</p> <p><u>Target #2:</u> The LTCO program shall educate the community about long term care (LTC), the LTC Ombudsman Program and related issues such as residents' rights at a minimum of three community outreach or education events annually per full-time employee. <u>Status #2:</u> Not Available</p>	<p>B1: Ensure the needs, interests, and opinions of Alaskan seniors are conveyed to policy makers.</p> <p><u>Target #1:</u> The LTCO will contact legislative and regulatory agencies on 100% of the legislative bills or state regulations being proposed that affect older Alaskans. <u>Status #1:</u> This is a new measure; data will be reported at the end of FY2009.</p> <p>B2: The LTCO Program will actively advocate to protect the rights of seniors by educating care providers and the public through community outreach and training.</p> <p><u>Target #1:</u> The LTCO Program will conduct at least three formal training courses annually to advocate for the prevention of elder abuse and to provide information about reporting elder abuse. <u>Status #1:</u> This is a new measure; data will be reported at the end of FY2009.</p> <p><u>Target #2:</u> The LTCO Program will conduct training at</p>

	<p>least six times per year to long term care providers regarding resident rights, the role of the LTCO, and LTCO assistance available to care providers.</p> <p>Status #2: This is a new measure; data will be reported at the end of FY2009.</p>
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Major Activities to Advance Strategies

- Each complaint received by the Office of Long Term Care Ombudsman (OLTCO) will be treated as an intake or referred to the appropriate agency.
- Investigate and prioritize each complaint by on-site investigation, telephone and/or record review based on severity of the complaint
- Input each complaint being investigated or monitored by OLTCO staff into the Ombudsmanager database.
- Monitor other state, social and health care provider agencies' actions concerning senior care issues and act to correct adverse trends.
- Provide each OLTCO staff and volunteers with initial and on-going training concerning the OLTCO program and its activities.
- Provide a training certification program for ombudsman.
- Identify long term care homes with 20 or more residents and facilitate formation of resident/family councils as needed.
- Review and analyze each piece of proposed legislation to determine if there is any potential impact to Alaskan seniors.
- Advocate for seniors with legislators.
- Identify needed legislation or changes to existing legislation around seniors and work with appropriate partners to create or comment on as needed.
- Provide education and outreach to seniors and senior care providers on senior rights and long term care issues.
- Participate in groups, boards, and committees to ensure the interests, needs, and opinions of older Alaskans are represented.

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$528,200

Personnel:

Full time	4
Part time	0
Total	4

Performance

A: Result - Seniors who reside in long term care (LTC) settings will be protected from poor quality of care, environments and/or practices which jeopardize their safety, and from violations to their rights.

Target #1: 90% of all complaints received are resolved to the satisfaction of the resident or complainant.

Status #1: Not Available

Target #2: The LTCO program shall visit each of the 15 skilled nursing homes and the 250+ assisted living homes in the state at least once per year by volunteer ombudsmen or full time ombudsmen.

Status #2: Not Available

Analysis of results and challenges: The LTCO program shall visit each of the 15 skilled nursing homes and the 250+ assisted living homes in the state at least once per year as a result of "friendly" visits by volunteer ombudsmen or full time ombudsmen or as a result of a formal investigation by a full time ombudsman of a complaint involving a resident of the home to educate about the LTCO program, to encourage them to exercise their resident rights and to

encourage staff to center care around the needs and desires of the resident.

Target #3: Complaints regarding resident quality of care from or on behalf of seniors residing in LTC are reduced by 10% compared to the previous fiscal year.

Status #3: During FY2008, 42 complaints were received regarding resident quality of care; this is a decrease of 27.6% from the number of complaints received in FY2007.

Quality of Care Complaints

Fiscal Year	# of Complaints	% Change from Prior Year
FY 2008	42	-27.6%
FY 2007	58	9.4%
FY 2006	53	-3.64%
FY 2005	55	-34.52%
FY 2004	84	n/a

Analysis of results and challenges: Quality of Care complaints involve negligence, lack of attention and poor quality in the care of the resident. Examples of these complaints include failure to respond to call lights when residents ring for assistance, incomplete personal care plans, improper medication management, poor personal hygiene, pressure (bed) sores, lack of pain management, improper toileting, etc. Most of the complaints received involved improper medication management (failing to document doses given, duplication of medication) and injuries of accidental or unknown origin or injuries caused by falls or improper handling of the resident.

The number of complaints received regarding poor Quality of Care of elders residing in long term care homes (nursing homes and assisted living homes) has generally continued to decline. Complaints concerning Quality of Care dropped from 84 in FY2004 to a low of 42 in FY2008 after a slight rise to 58 in FY2007. The OLTCO continues to be proactive in educating long term care homes on ways to improve their Quality of Care of elders and these numbers reflect that. With the increasing number of elders in the state the OLTCO will need to continue to educate long term caregivers on the major tenants of excellent Quality of Care by continuing to exploit every training opportunity that arises.

Target #4: Complaints regarding violations of residents' rights from or on behalf of seniors residing in LTC are reduced by 10% compared to the previous fiscal year.

Status #4: 54 complaints were received regarding violations of LTC residents' rights in FY2008, a decrease of 26% from FY2007.

Violations of Residents' Rights Complaints

Fiscal Year	# of Complaints	% Change from Prior Year
FY 2008	54	-26.0%
FY 2007	73	37.7%
FY 2006	53	-20.90%
FY 2005	67	4.69%
FY 2004	64	n/a

Analysis of results and challenges: Complaints regarding the Violation of Resident's Rights include physical, verbal, or sexual abuse; financial exploitation; lack of information to the resident; not treating the resident with dignity and respect; improper admission/discharge or eviction; loss of personal property; and misuse of personal funds.

In FY 2008 the number of Violation of Residents' Rights complaints dropped from 73 in FY2007 to 53. This was a result of the OLTCO focusing on educating long term care homes on the increased rights an individual receives when they become a resident of a long term care home (nursing home or assisted living home). The OLTCO has conducted twelve (12) training sessions emphasizing "residents' rights" to over 182 current family and long term care facility caregivers, current and prospective long term care home administrators, social workers and newly graduated Certified Nursing Assistants. Thus, we have seen a higher awareness of resident's rights among caregivers and others and have seen a resultant decrease in complaints involving possible violation of residents' rights. The

category of "Dignity and Respect and Staff Attitudes" received the most complaints in this area during FY2008, thus the OLTCO will now refine its training of caregivers to emphasize the importance of treating elder Alaskans with respect and dignity.

Target #5: Complaints regarding quality of life issues from or on behalf of seniors residing in LTC are reduced by 10% compared to the previous fiscal year.

Status #5: 32 complaints were received regarding LTC quality of life issues in FY2008, a 3% decrease in complaints of this type from the prior fiscal year.

Quality of Life Complaints

Fiscal Year	# of Complaints	% Change from Prior Year
FY 2008	32	-3.0%
FY 2007	33	-23.2%
FY 2006	43	2.38%
FY 2005	42	0.00%
FY 2004	42	n/a

Analysis of results and challenges: Quality of Life complaints involve social services for the residents and social interaction of residents. Examples are lack of activities appropriate for each resident, resident conflict, lack of transportation, lack of social services or failure to include social interaction. This category also includes dietary issues such as quantity, quality, choice, temperature, etc. of the meals served the residents, snack availability, therapeutic dietary issues and the environment in which the resident lives. Dietary issues again account for most of the complaints in this category and are usually the top complaint of all categories of complaints.

The number of complaints regarding the quality of life of residents in long term care homes (nursing homes and assisted living homes) has remained relatively stable over the past four years. The OLTCO has made some progress in this complaint area as evidenced by the FY2007 and FY2008 figures. The OLTCO has continued to give special emphasis and education to the long term care homes on this category of complaints advocating for increased social activities, variation of menus including therapeutic meals, pleasing residential décor and furnishings, and appropriate lighting and heating for residents' rooms and common areas. Consequently, we have continued to see a reduction in this category of complaints. The OLTCO will need to continue to emphasize Quality of Life issues with long term care home administrators and caregivers statewide.

A1: Strategy - Identify, investigate and resolve complaints made by or on behalf of seniors residing in LTC settings.

Target #1: 95% of intakes received involving abuse complaints where the resident is at risk will have initial investigation by an LTCO within one working day.

Status #1: This is a new measure; data will be reported at the end of FY2009.

Target #2: 95% of intakes received involving abuse complaints where the resident is not at risk will have initial investigation by an LTCO within three working days.

Status #2: This is a new measure; data will be reported at the end of FY2009.

Target #3: 95% of intakes received involving all other types of complaints will have initial investigation by an LTCO within seven working days.

Status #3: This is a new measure; data will be reported at the end of FY2009.

A2: Strategy - Ensure the LTCO Program has adequate staffing to meet the needs of the state's elder population.

Target #1: The number of full-time long term care ombudsmen meets at least the minimum national standard of 1 full-time ombudsman for every 2,000 long term care beds in long term care facilities to ensure facility residents are served in accordance with AS 47.62.015

Status #1: This is a new measure; data will be reported at the end of FY2009.

Target #2: The number of full-time long term care ombudsmen is adequate to serve older Alaskans, 60 years old and older, in elder issues not related to long term care facilities in accordance with AS 47.62.015(b).

Status #2: This is a new measure; data will be reported at the end of FY2009.

Target #3: Continue to establish a viable Volunteer Long Term Care Ombudsman program so residents, family and staff at nursing and assisted living homes are aware of and understand residents' rights and the function of the OLTCO.

Status #3: This is a new measure; data will be reported at the end of FY2009.

A3: Strategy - Develop and support the creation and maintenance of Family and Resident Councils.

Target #1: The LTCO Program shall support the development and strengthening of Resident Councils at all nursing homes, especially those with more than 20 residents, and State Pioneer Homes to ensure these councils are an effective voice for elderly LTC residents.

Status #1: This is a new measure; data will be reported at the end of FY2009.

Target #2: The LTCO program shall support the development and strengthening of Family Councils at all nursing homes, especially those with more than 20 residents, and State Pioneer Homes to ensure these councils are an effective voice for elderly LTC residents.

Status #2: This is a new measure; data will be reported at the end of FY2009.

B: Result - The rights, interests, and well-being of Alaskan seniors, age 60 and older, will be promoted and protected.

Target #1: Complaints from or on behalf of Alaskan seniors, age 60 or over are reduced by 10% compared to the previous fiscal year.

Status #1: The number of complaints received in all categories decreased during FY2008 by 27.4% when compared to the prior fiscal year.

Number of Complaints - All Categories

Fiscal Year	Quality of Care	Quality of Life	Residents' Rights	Other	Total Complaints	Change from Prior Year
FY 2008	42	32	54	34	162	-27.4%
FY 2007	58	33	73	59	223	10.4%
FY 2006	53	43	53	53	202	-9.42%
FY 2005	55	42	67	59	223	-1.76%
FY 2004	84	42	64	37	227	n/a

Analysis of results and challenges: Of the total complaints received, the three largest categories of complaints pertain to the Quality of Care, Quality of Life and Violation of Residents' Rights. Most of the Quality of Care complaints centered on improper medication management and injury for unknown reasons, falls or improper handling of the resident. The Quality of Life complaints primarily involved dietary issues. Complaints regarding the Violation of

Residents' Rights included not treating the resident with dignity and respect, verbal/psychological abuse and privacy issues.

The significant decrease of total complaints between FY2007 and FY2008 overall is attributed largely to a major effort to educate, both formally and informally during "drop-in" visits, caregivers around the state. Special focus has been placed on the prevention of abuse and neglect, emphasis on "resident centered care" including offering residents choices in their lives as to activities, meals, awake times, etc. and respect for the rights they have earned as elderly individuals. Due to this increased awareness fewer complaints are being received. Additionally, the continued growth in senior assisted living homes in the state to a high of 255 as of June 2008 will continue to challenge the OLTCO to ensure elder residents in these homes receive the proper care and treatment they deserve and will require continued training and awareness of long term caregivers.

Target #2: The LTCO program shall educate the community about long term care (LTC), the LTC Ombudsman Program and related issues such as residents' rights at a minimum of three community outreach or education events annually per full-time employee.

Status #2: Not Available

B1: Strategy - Ensure the needs, interests, and opinions of Alaskan seniors are conveyed to policy makers.

Target #1: The LTCO will contact legislative and regulatory agencies on 100% of the legislative bills or state regulations being proposed that affect older Alaskans.

Status #1: This is a new measure; data will be reported at the end of FY2009.

Analysis of results and challenges: The LTCO will advocate for older Alaskans, especially those residing in long term care settings by ensuring the interests and well being of older Alaskans are represented to government agencies and policymakers by contacting legislative and regulatory agencies on 100% of the legislative bills or state regulations being proposed.

B2: Strategy - The LTCO Program will actively advocate to protect the rights of seniors by educating care providers and the public through community outreach and training.

Target #1: The LTCO Program will conduct at least three formal training courses annually to advocate for the prevention of elder abuse and to provide information about reporting elder abuse.

Status #1: This is a new measure; data will be reported at the end of FY2009.

Target #2: The LTCO Program will conduct training at least six times per year to long term care providers regarding resident rights, the role of the LTCO, and LTCO assistance available to care providers.

Status #2: This is a new measure; data will be reported at the end of FY2009.

RDU/Component: AMBBA Operations*(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)***Contribution to Department's Mission**

The mission of the Alaska Municipal Bond Bank is to provide municipalities with financing options for capital projects.

Core Services

- Issue bonds to make loans to municipalities for capital projects at lower rates than the municipalities would incur elsewhere.
- Help municipalities gain experience in financial markets and establish a positive credit history.
- Monitor opportunities to issue bonds to refinance existing debt.

End Result	Strategies to Achieve End Result
<p>A: Municipalities will lower their cost of financing.</p> <p><u>Target #1:</u> 100% of new financings will result in savings. <u>Status #1:</u> Savings were achieved in each of the four issues of the bond bank and each one of the 9 loans made with those funds. Savings aggregated almost \$3.4 million.</p> <p><u>Target #2:</u> 100% of advance refinancing will result in at least 3% savings to the issuer. <u>Status #2:</u> There were no advance refinancings in FY2008.</p> <p><u>Target #3:</u> 100% of current refinancing will result in at least 2% savings to the issuer. <u>Status #3:</u> There were no current refinancing issues in FY2008.</p>	<p>A1: Increase percentage of (statewide) municipal bond deals done by Alaska Municipal Bond Bank.</p> <p><u>Target #1:</u> The Bond Bank will finance 100% of the deals done statewide by municipalities with less than A2 ratings. <u>Status #1:</u> Not Available</p>

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$828,100	<p>Personnel:</p> <table> <tr> <td>Full time</td><td>1</td></tr> <tr> <td>Part time</td><td>0</td></tr> <tr> <td>Total</td><td>1</td></tr> </table>	Full time	1	Part time	0	Total	1
Full time	1						
Part time	0						
Total	1						

Performance

A: Result - Municipalities will lower their cost of financing.

Target #1: 100% of new financings will result in savings.

Status #1: Savings were achieved in each of the four issues of the bond bank and each one of the 9 loans made with those funds. Savings aggregated almost \$3.4 million.

New Financings That Resulted in Savings

Fiscal Year	Percent
FY 2008	100%
FY 2007	100%
FY 2006	100%
FY 2005	100%
FY 2004	100%

Analysis of results and challenges: In each fiscal year shown all communities that borrowed funds through the Bond Bank are projected to be paying less debt service (realized savings) than they otherwise might have using other means of financing their project.

Target #2: 100% of advance refinancing will result in at least 3% savings to the issuer.

Status #2: There were no advance refinancings in FY2008.

Advance Refinancings that Resulted in Savings of at Least 3%

Fiscal Year	Percent
FY 2008	N/A
FY 2007	100%
FY 2006	100%
FY 2005	100%
FY 2004	N/A

Analysis of results and challenges: There were no advance refinancings in FY2008. Advance refinancings are on a demand basis and dependent on market conditions.

Target #3: 100% of current refinancing will result in at least 2% savings to the issuer.

Status #3: There were no current refinancing issues in FY2008.

Current Refinancings that Resulted in Savings

Fiscal Year	Percent
FY 2008	None
FY 2007	100%
FY 2006	100%
FY 2005	100%
FY 2004	100%

Analysis of results and challenges: There were no current refinancing issues in FY2008. The refundings are on a demand basis and contingent on market conditions.

A1: Strategy - Increase percentage of (statewide) municipal bond deals done by Alaska Municipal Bond Bank.

Target #1: The Bond Bank will finance 100% of the deals done statewide by municipalities with less than A2 ratings.

Status #1: Not Available

Statewide Municipal Bond Deals Financed by AMBBA

Fiscal Year	Bonds Issued	# of Loans	# of Communities	% of Dollars Issued	% of < A2 Communities
FY 2008	\$107 million	9	7	90%	98%
FY 2007	\$107 million	14	11	80%	94%
FY 2006	\$77 million	14	11	56%	92%
FY 2005	\$123 million	18	14	61%	93%
FY 2004	\$113 million	13	11	79%	92%

Analysis of results and challenges: There is no central database where all debt issued statewide exists. The success of our collection of this data will depend largely on the willingness of the municipalities to respond to our requests for information.

Alaska Housing Finance Corporation Results Delivery Unit**Contribution to Department's Mission**

The mission of the Alaska Housing Finance Corporation is to provide Alaskans access to safe, quality, affordable housing.

FY2010 Resources Allocated to Achieve Results**FY2010 Results Delivery Unit Budget: \$53,646,200****Personnel:**

Full time 315

Part time 26

Total 341

Component: AHFC Operations

Contribution to Department's Mission

The mission of the Alaska Housing Finance Corporation is to provide Alaskans access to safe, quality, affordable housing.

Core Services

- Mortgage Loan Programs: Conventional Loans, First-time Home Buyer Loans, Veteran Loans, and Rural Loans
- Senior Housing Programs
- Weatherization Program
- State Energy Program (SEP)
- Housing Strategy and Homeless Programs
- State and Federal Housing Grants
- Public Housing Program
- Low-Income Tax Credits
- Workshops and Training (i.e. HomeChoice, Grant writing, Energy, etc)
- Access to Low-cost Capital
- Housing Choice Voucher Program

End Result	Strategies to Achieve End Result
<p>A: Improve the degree to which statewide housing needs are met:</p> <p><u>Target #1:</u> Increase the number of loans purchased by 5%</p> <p><u>Status #1:</u> Loan activity decreased by 15% due to fewer borrowers qualifying for loans because of increased interest rates in view that the national housing bond market views home loans as a higher risk due to the deteriorating national housing market.</p> <p><u>Target #2:</u> Maintain a "High Performer" rating on HUD's Section Eight Management Assessment Program (SEMAP)</p> <p><u>Status #2:</u> AHFC continued to perform at the "High Performer" level of the SEMAP rating system.</p>	<p>A1: Provide programs and service that are responsive to the diverse housing needs statewide</p> <p><u>Target #1:</u> Increase Multi-Family units by 10%</p> <p><u>Status #1:</u> Loan activity decreased by 4% due to the abundance of alternative loan products that were more attractive to the multi-family investor than AHFC's fixed rate, fully amortizing loan products.</p> <p>A2: Increase and sustain homeownership</p> <p><u>Target #1:</u> Increase AHFC's market share by 3%</p> <p><u>Status #1:</u> AHFC's SFY08 market share was 21% up from 20.50% in 2007, a change of 2.44%.</p> <p>A3: Increase special-needs housing</p> <p><u>Target #1:</u> Increase Senior Housing units by 10%</p> <p><u>Status #1:</u> There are a total of 53 units that will be available to seniors as a result of the 2008 funding cycle, an increase of 7%.</p>
End Result	Strategies to Achieve End Result
<p>B: Improve the Corporation's strength and ability to increase housing programs and service:</p> <p><u>Target #1:</u> Maintain the rating of "High Performer" on the Public Housing Assessment System (PHAS) score</p>	<p>B1: Manage finances to maximize AHFC's profits</p> <p><u>Target #1:</u> Maintain or increase Adjusted Net Income</p> <p><u>Status #1:</u> AHFC is currently meeting this target with its increased Adjusted Net Income.</p>

Status #1: HUD has labeled FY08 a “transition” year and will not be issuing scores to Public Housing Authorities.

Target #2: Maintain AHFC’s general obligation credit rating.

Status #2: AHFC is currently meeting this target with its AA general obligation credit rating from Standard & Poor’s

Target #2: Maintain or increase Net Assets

Status #2: Net Income decreased from the prior year by 1.09%, due largely to lower interest payments on mortgages and investments.

Major Activities to Advance Strategies

- The Planning department works with developers and service providers to administer the Grant and Tax Credit Programs throughout the state.
- AHFC provides Homebuyer Education classes, Public/Industry Education, HomeChoice/HomeOption and other industry workshops.
- The Rural Housing Division oversees the Weatherization Program and other energy programs throughout the state.
- The Public Housing Division administers the Housing Choice Voucher Program and works with landlords across the state.
- The Finance department prepares bond packages to finance mortgage purchases.
- The Public Housing Division oversees the management and oversight of AHFC owned low-income rental units.
- Mortgage Operations works with the mortgage industry to provide mortgage loan programs.

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$53,246,200

Personnel:

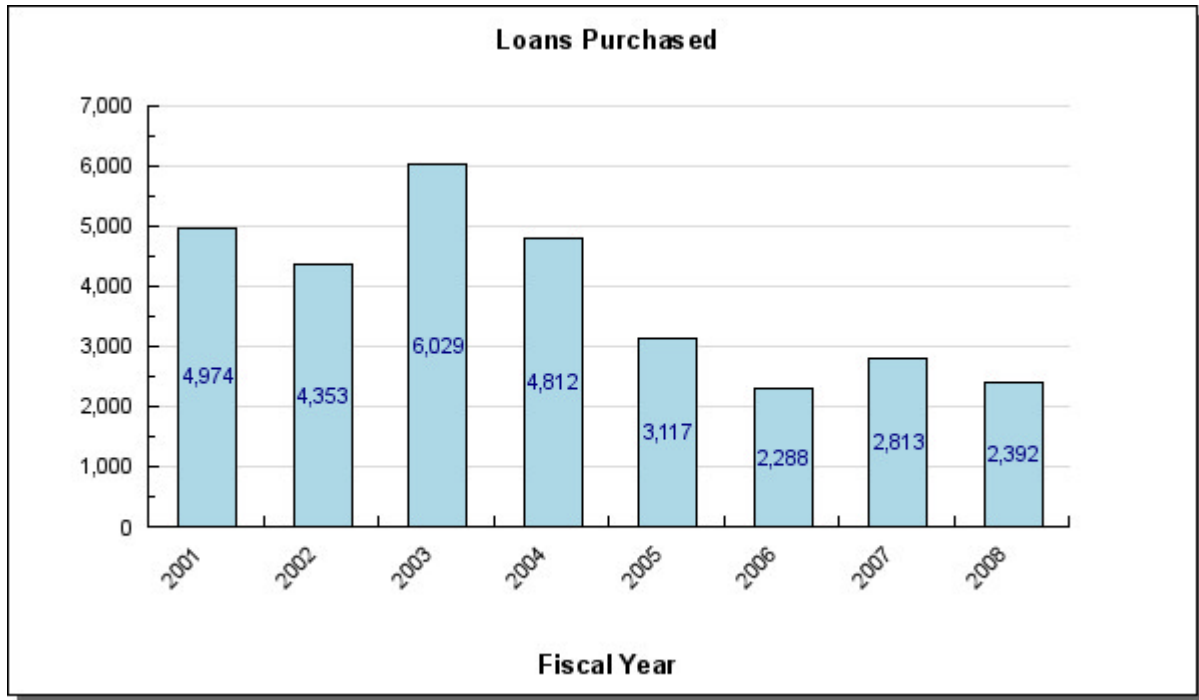
Full time	315
Part time	26
Total	341

Performance

A: Result - Improve the degree to which statewide housing needs are met:

Target #1: Increase the number of loans purchased by 5%

Status #1: Loan activity decreased by 15% due to fewer borrowers qualifying for loans because of increased interest rates in view that the national housing bond market views home loans as a higher risk due to the deteriorating national housing market.



Loans Purchased

Fiscal Year	New Loans	% Change
FY 2008	2392	-15%
FY 2007	2,813	23%
FY 2006	2,288	-21%
FY 2005	3,117	-35%
FY 2004	4,812	-8%
FY 2003	6,029	30%
FY 2002	4,353	-15%
FY 2001	4,974	18%

Analysis of results and challenges: The loan activity has increased for the following reasons:

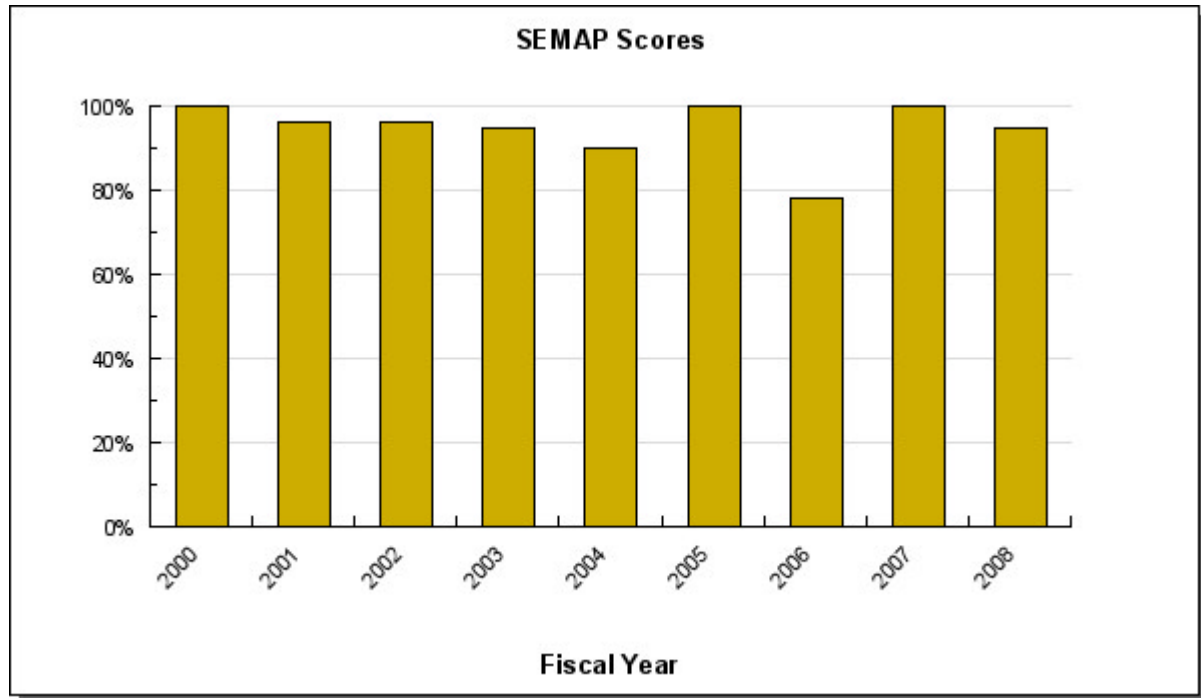
- Interest rates have begun to increase; decreasing the ability for some borrowers to qualify for a loan;
- Turmoil in the national mortgage and credit markets created an atmosphere of hesitancy in prospective borrowers.

AHFC has loan programs, not offered by other investors, such as: those for home buyers that are low income, first time home buyers, veterans, those who desire energy efficient housing, and those that live in rural areas. Increasing the number of loans purchased improves the degree which statewide housing needs are met, which may not have happened otherwise. Additionally, increasing the loan portfolio increases AHFC's gross income by earning loan fees and additional income through a higher interest rate spread than that available with other investments. These additional earnings can be recycled in purchasing additional loans. Challenges: Loan activity is subject to such

vagaries as interest rate fluctuations, the state of the economy, and competitive programs offered by national investors.

Target #2: Maintain a "High Performer" rating on HUD's Section Eight Management Assessment Program (SEMAP)

Status #2: AHFC continued to perform at the "High Performer" level of the SEMAP rating system.



SEMAP Scores

Fiscal Year	Score	Target	Grade
FY 2008	95%	100%	High Performer
FY 2007	100%	100%	High Performer
FY 2006	78%	100%	Standard Performer
FY 2005	100%	100%	High Performer
FY 2004	90%	100%	High Performer
FY 2003	95%	100%	High Performer
FY 2002	96%	100%	High Performer
FY 2001	96%	100%	High Performer
FY 2000	100%	100%	High Performer

Analysis of results and challenges: In FY08, AHFC continued to perform well under the SEMAP rating system. AHFC anticipates receiving a less than perfect, but still acceptable, score in only one area Reasonable Rent. All other areas noted below will receive the maximum points possible. Under the Moving to Work initiative, AHFC will have the options of continuing to report under SEMAP or determining another benchmark in FY09 and future years. The SEMAP indicators and point values are listed Below:

AHFC uses HUD's Section Eight Management Assessment Program (SEMAP) rating as its benchmark. SEMAP indicators and point values are listed below:

- * Waiting List.....15.....Points possible...12%
- * Reasonable Rent.....20.....Points possible...16%
- * Adjusted Income.....20.....Points possible...16%
- * A Schedule.....5.....Points possible....4%
- * HQS Quality Control...5.....Points possible....4%

* HQS Enforcement.....10.....Points possible....8%
 * Expanding Housing.....5.....Points possible....4%
 * Payment Standards.....5.....Points possible....4%
 * Annual Re-exams.....10.....Points possible....8%
 * Tenant Rent MTCS.....5.....Points possible....4%
 * Pre-contract HQS.....5.....Points possible....4%
 * Annual HQS.....N/A.....
 * Lease-up.....20.....Points possible...16%
 * FSS.....N/A.....Points possible.....

Total Possible Points..125.....100%

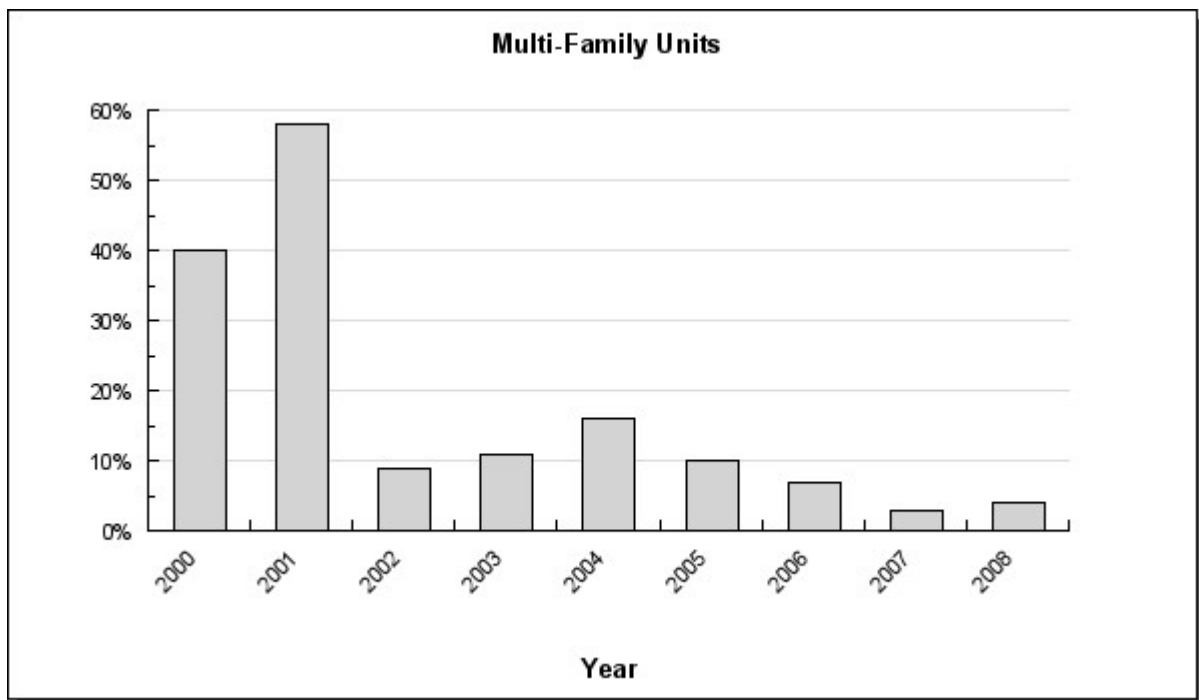
90-100% = High Performer
 60-89% = Standard
 0-60% = Troubled

HQS = Housing Quality Standard

A1: Strategy - Provide programs and service that are responsive to the diverse housing needs statewide

Target #1: Increase Multi-Family units by 10%

Status #1: Loan activity decreased by 4% due to the abundance of alternative loan products that were more attractive to the multi-family investor than AHFC's fixed rate, fully amortizing loan products.



Multi-Family Units

Year	New Units	Total Units	% Change
2008	547	13,954	4%
2007	437	13,407	3%
2006	839	12,970	7%
2005	1,067	12,131	10%
2004	1,491	11,064	16%
2003	938	9,573	11%
2002	748	8,625	9%
2001	2,897	7,887	58%
2000	1,438	4,990	40%

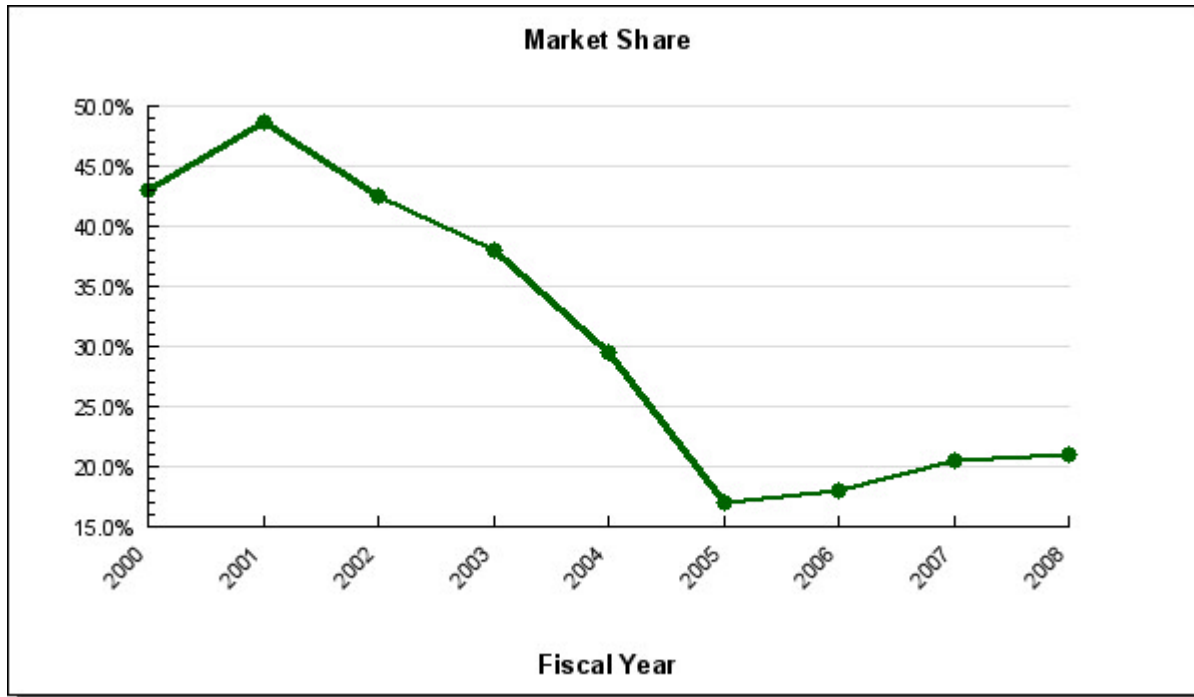
Analysis of results and challenges: The small increase in new units from FY07 is due to some larger rehabilitation projects and increased demand resulting from a decline in activity from other lenders in the market. The national secondary market for multi-family has slowed. The fixed terms that AHFC offers are becoming more advantageous for multi-family developers.

Diverse housing needs include individuals of various incomes that cannot afford home ownership and consequently rent. Increasing multi-family units in a tight rental market provides additional options to renters for safe, sanitary, and affordable housing. Declining levels of homeownership can increase demand for multi-family housing. Multi-family housing activity is subject to uncertainties such as interest rate fluctuations, the state of the local economy and other market influences.

A2: Strategy - Increase and sustain homeownership

Target #1: Increase AHFC's market share by 3%

Status #1: AHFC's SFY08 market share was 21% up from 20.50% in 2007, a change of 2.44%.



Market Share

Fiscal Year	AHFC	% Change
FY 2008	21.0%	2.44%
FY 2007	20.5%	13.89%
FY 2006	18.0%	5.88%
FY 2005	17.0%	(42.37)%
FY 2004	29.5%	(22.70)%
FY 2003	38.0%	(10.59)%
FY 2002	42.5%	(12.55)%
FY 2001	48.6%	13.02%
FY 2000	43.0%	30.30

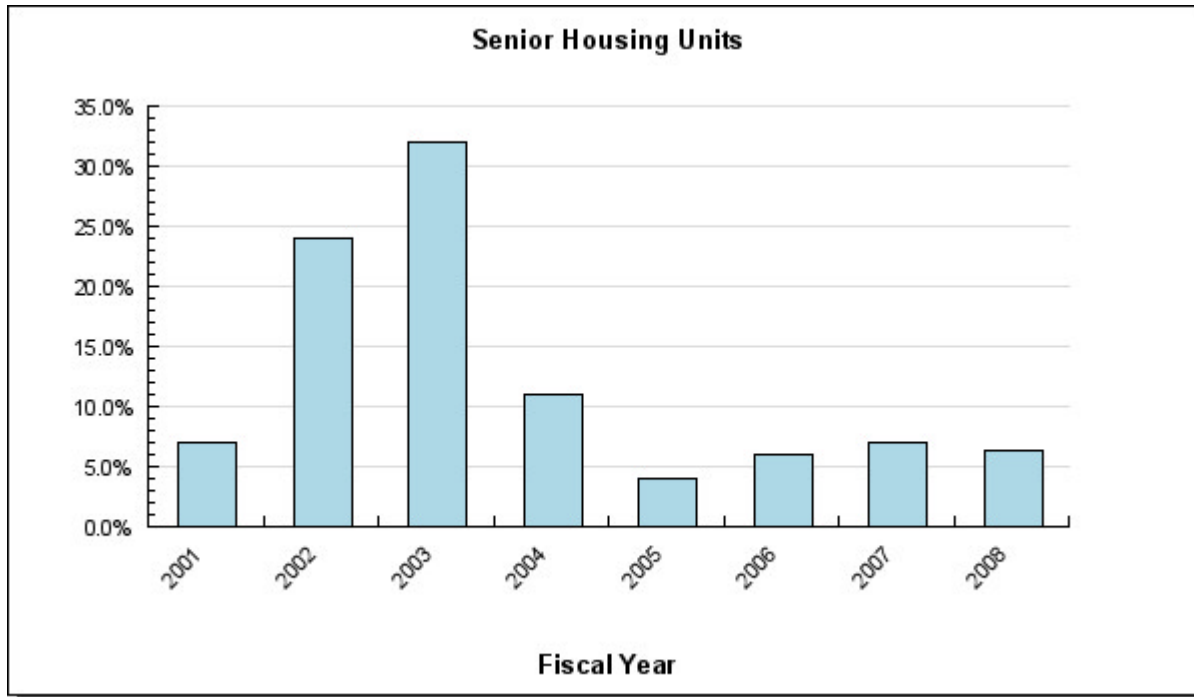
Analysis of results and challenges: "Market Share" is a measure of AHFC's success in reaching the portion of the population that is eligible for the niche programs of AHFC. For example: first time-homebuyers, veterans, rural or energy efficient housing and teachers. Increasing market share helps Alaskans attain homeownership that might not otherwise be able to. Increasing market share also increases the corporation's net income.

AHFC is using the prior year's "market share" for the fiscal year as its benchmark. The market share is calculated based on the percentage of loans AHFC has out of the total number loans reported in AHFC's annual survey of Alaskan lenders.

A3: Strategy - Increase special-needs housing

Target #1: Increase Senior Housing units by 10%

Status #1: There are a total of 53 units that will be available to seniors as a result of the 2008 funding cycle, an increase of 7%.



Senior Housing Units

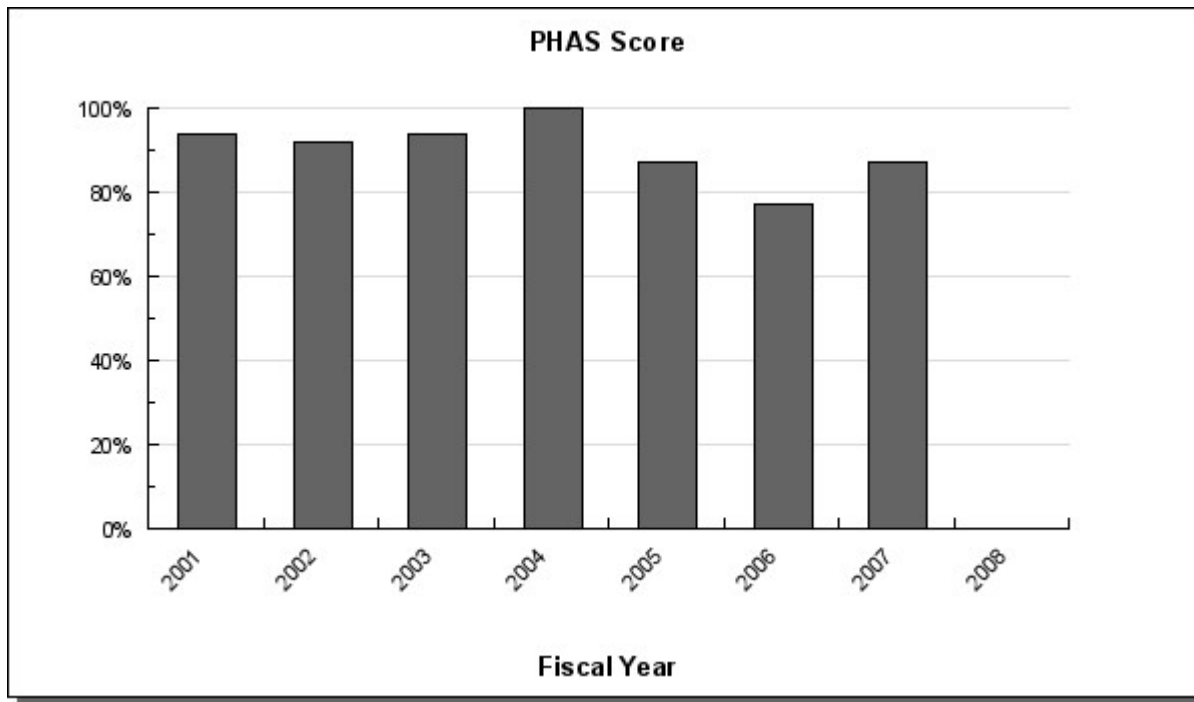
Fiscal Year	New Senior Units	Total Senior Units	% Change
FY 2008	53	831	6.4%
FY 2007	48	778	7%
FY 2006	42	730	6%
FY 2005	25	688	4%
FY 2004	64	663	11%
FY 2003	144	599	32%
FY 2002	88	455	24%
FY 2001	24	367	7%

Analysis of results and challenges: Seniors are the fastest growing segment of the population. The number of units added each year depends largely on AHFC's annual Capital budget appropriation. The gap between the need and what is developed grows each year. The number of persons with mental and physical disabilities has also been increasing over time. Senior and special needs housing remains a high priority for the Corporation.

B: Result - Improve the Corporation's strength and ability to increase housing programs and service:

Target #1: Maintain the rating of "High Performer" on the Public Housing Assessment System (PHAS) score

Status #1: HUD has labeled FY08 a "transition" year and will not be issuing scores to Public Housing Authorities.



PHAS Score

Fiscal Year	Score	Target	Grade
FY 2008	0	Suspended by HUD	Transition Year
FY 2007	87%	87%	High Performer
FY 2006	77%	100%	Standard Performer
FY 2005	87%	100%	Standard Performer
FY 2004	100%	100%	High Performer
FY 2003	94%	100%	High Performer
FY 2002	92%	100%	High Performer
FY 2001	94%	100%	High Performer

Analysis of results and challenges: Analysis of results and challenges: For FY07 AHFC has requested a re-evaluation of the Resident Assessment Satisfaction Survey (RASS) portion of the score. A new score for FY07 is still pending. For FY08, the PHAS scoring system is being rewritten by HUD under new Asset Management rules. The previous indicators are being replaced, and each AMP will be scored individually, rather than the agency as a whole. HUD has labeled FY08 a 'transition' year and will not be issuing scores to PHAs. AHFC anticipates adjusting its internal controls to reflect HUD's new PHAS scoring system. However, under the Moving to Work initiative, AHFC will have the option of continuing to report under the PHAS scoring system or developing an alternative in FY09 and beyond.

PHAS indicators and point values are:

- Physical Condition - 30.0 points possible
- Financial Condition - 30.0 points possible
- Management Operations - 30.0 points possible
- Resident Satisfaction - 10.0 points possible

100 total points possible

90-100% = High Performer

60-89% = Standard

0-60% = Troubled

Target #2: Maintain AHFC's general obligation credit rating.

Status #2: AHFC is currently meeting this target with its AA general obligation credit rating from Standard & Poor's

Standard & Poor's Bond Rating

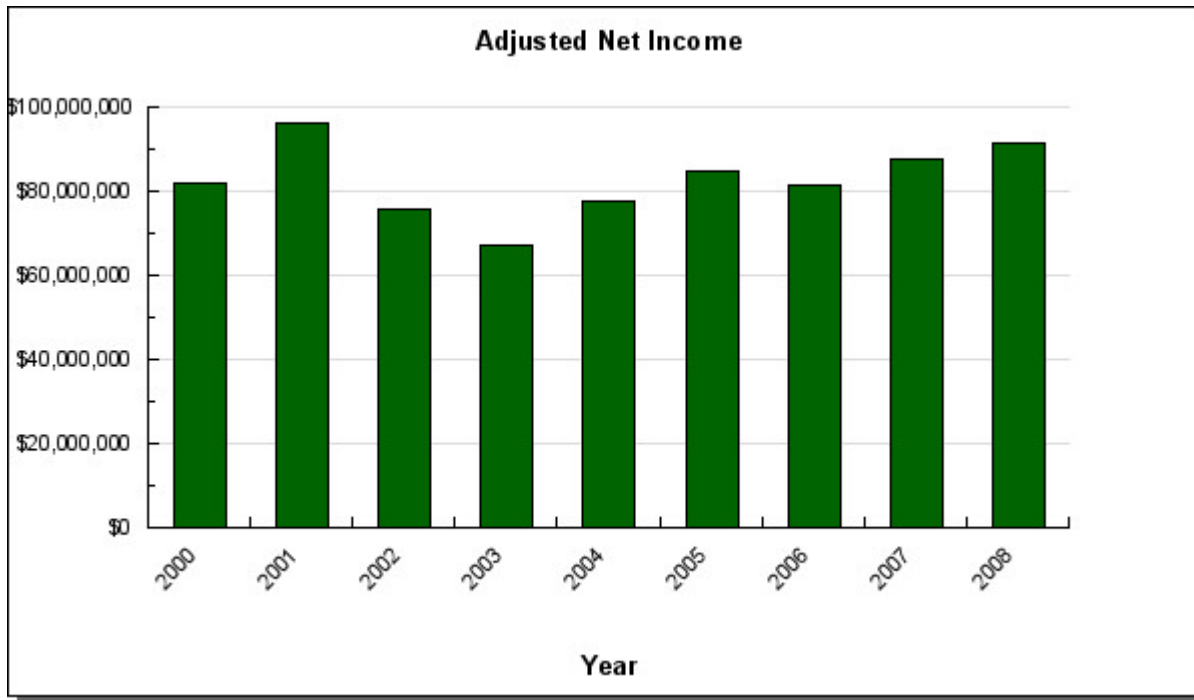
Fiscal Year	YTD Total	Target
FY 2008	AA	AA
FY 2007	AA	AA
FY 2006	AA	AA
FY 2005	AA	AA
FY 2004	AA	AA
FY 2003	AA	AA
FY 2002	AA-	AA
FY 2001	AA-	AA
FY 2000	AA-	AA

Analysis of results and challenges: As one of the largest debt issuers in the State of Alaska, AHFC must maintain its strong general obligation credit rating and favorable reputation with investors. AHFC continues to achieve these goals, despite the challenges posed by certain events in the municipal bond market.

B1: Strategy - Manage finances to maximize AHFC's profits

Target #1: Maintain or increase Adjusted Net Income

Status #1: AHFC is currently meeting this target with its increased Adjusted Net Income.

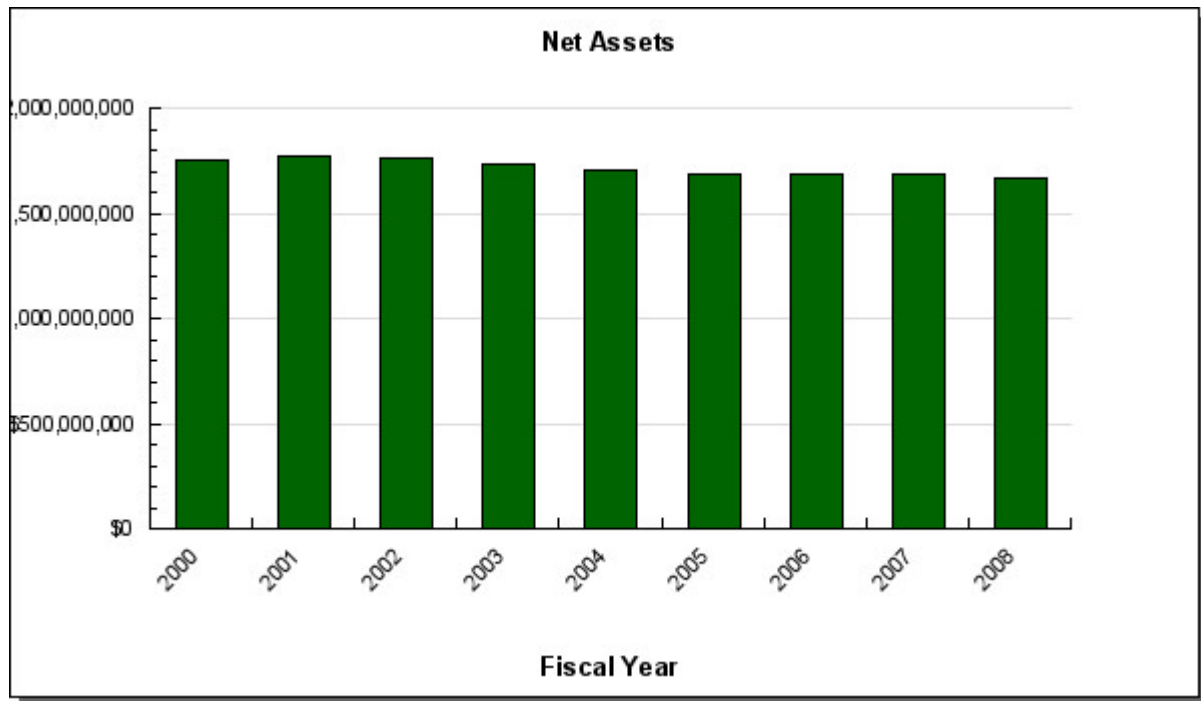
**Adjusted Net Income**

Year	Annual	Change
2008	\$91,576,550	\$3,775,050
2007	\$87,801,500	\$6,388,600
2006	\$81,412,900	(\$3,446,800)
2005	\$84,859,700	\$7,146,200
2004	\$77,713,000	\$13,636,000
2003	\$67,077,000	(\$11,583,000)
2002	\$75,660,000	(\$20,693,000)
2001	\$96,353,000	\$14,551,000
2000	\$81,802,000	\$1,952,000

Analysis of results and challenges: "Adjusted Net Income" includes corporate, federal, and Capital Improvement Projects (CIP) income generated from all AHFC programs. Figures for FY03 and prior are unadjusted. During FY03, the Corporation worked with the Administration and the Legislature to pass HB256, which continues the Transfer Plan and limits total transfers to the State to a percentage of the Corporation's "Adjusted Net Income".

Target #2: Maintain or increase Net Assets

Status #2: Net Income decreased from the prior year by 1.09%, due largely to lower interest payments on mortgages and investments.



Net Assets

Fiscal Year	Annual	Change	% Change
FY 2008	\$1,666,171,000	(\$18,301,000)	(1.09)%
FY 2007	\$1,690,032,000	\$6,959,000	0.41%
FY 2006	\$1,684,472,000	(\$5,560,000)	(0.33)%
FY 2005	\$1,683,073,000	(\$23,386,000)	(1.39)%
FY 2004	\$1,706,459,000	(\$31,107,000)	(1.89)%
FY 2003	\$1,737,566,000	(\$28,244,000)	(1.63)%
FY 2002	\$1,765,810,000	(\$7,867,000)	(0.45)%
FY 2001	\$1,773,677,000	\$21,322,000	1.20%
FY 2000	\$1,752,355,000	(\$35,680,000)	(2.04)%

Analysis of results and challenges: AHFC is using prior fiscal year "Net Assets" as its benchmark. The decrease in net income is the result of a general low interest rate environment prevailing in the financial markets during the fiscal year, coupled with the Corporation's proactive approach to the emerging liquidity and credit crises in the fixed-income markets, which included restricting its investments to safer, more liquid securities and by successfully avoiding certain investment sectors it deemed potentially unstable.

Component: Anchorage State Office Building

Contribution to Department's Mission

See AHFC's mission.

Core Services

- This component is established under AHFC to utilize a portion of the income and revenues from the building towards the annual operational costs of the Anchorage State Office Building. Funds approved will be transferred (RSA'd) to the Department of Administration as part of their budget request for Division of General Services.

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$400,000

Personnel:

Full time	0
Part time	0
Total	0

Alaska Permanent Fund Corporation Results Delivery Unit**Contribution to Department's Mission**

Please see component narrative.

FY2010 Resources Allocated to Achieve Results**FY2010 Results Delivery Unit Budget: \$102,196,200****Personnel:**

Full time 35

Part time 0

Total 35

Component: APFC Operations

Contribution to Department's Mission

The mission of the Alaska Permanent Fund Corporation (APFC) is to maximize the value of the Permanent Fund within return objectives.

Core Services

- Investment management for Alaska Permanent Fund assets

End Result	Strategies to Achieve End Result
A: Maximize the value of the Fund <u>Target #1:</u> A long-term 5% real rate of return <u>Status #1:</u> The Fund ended fiscal year 2008 with a value of \$35.9 billion after transferring \$1.3 billion to the Department of Revenue for Permanent Fund dividend distribution. The long-term real rate of return for the current rolling 10-years 1999 - 2008 was 3.84%. This is the first 10-year period in Fund history that the Fund did not return at least 5%.	A1: Develop and implement an asset allocation plan that minimizes the risk necessary to achieve the target return <u>Target #1:</u> The Fund's rate of return meets or exceeds the composite investment performance benchmark adopted by the Board <u>Status #1:</u> For the 10-year period ended June 30, 2008, the Fund outperformed its benchmark by 0.2%. The Fund's total rate of return for the 10-year period was 6.4% compared to our benchmark of 6.2%. Over the 1-year period ended June 30, 2008, the Fund's performance matched the benchmark performance of -3.6%.

Major Activities to Advance Strategies	
<ul style="list-style-type: none"> Selecting and contracting with external investment managers for specific expertise managing stocks, bonds, real estate, and alternative investments. Internal bond portfolio management. Daily, monthly, quarterly, and annual performance and compliance reporting. Renegotiation of fees on an ongoing basis. 	<ul style="list-style-type: none"> Preparation of reports, newspaper inserts and other publications. Maintenance of web site with current content. Research evolving alternative investment strategies. Continual review of corporate best practices and due diligence oversight.

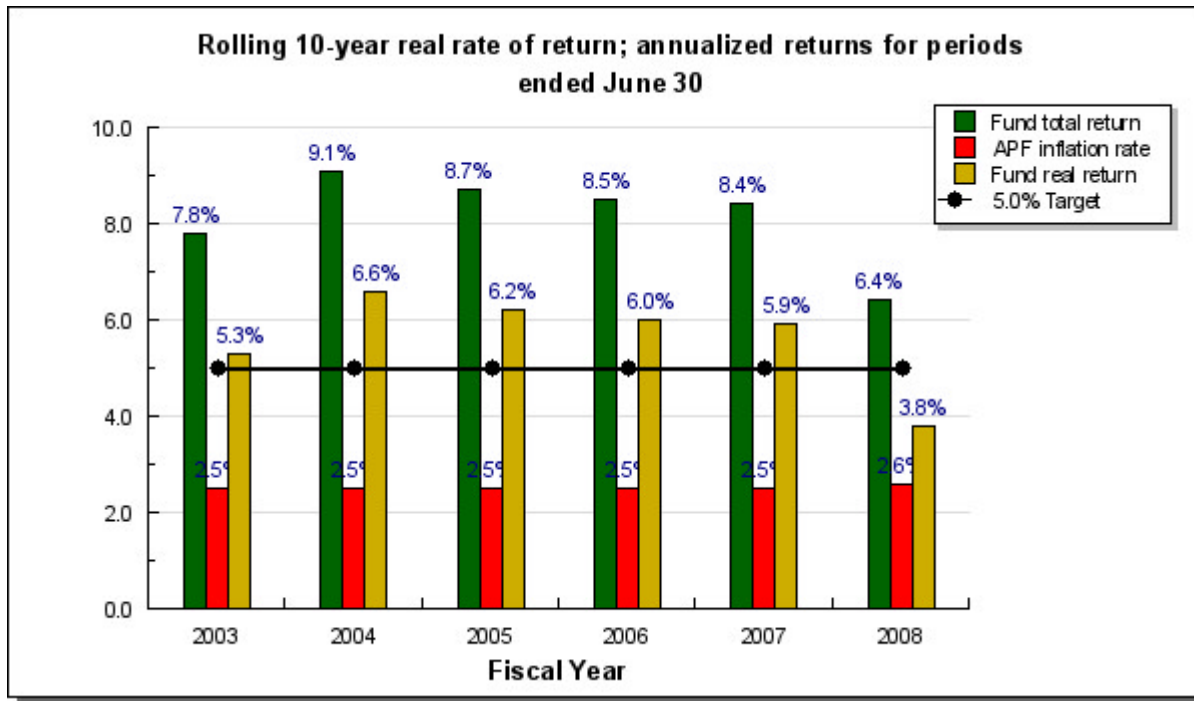
FY2010 Resources Allocated to Achieve Results	
FY2010 Component Budget: \$9,781,200	Personnel:
	Full time 35
	Part time 0
	Total 35

Performance

A: Result - Maximize the value of the Fund

Target #1: A long-term 5% real rate of return

Status #1: The Fund ended fiscal year 2008 with a value of \$35.9 billion after transferring \$1.3 billion to the Department of Revenue for Permanent Fund dividend distribution. The long-term real rate of return for the current rolling 10-years 1999 - 2008 was 3.84%. This is the first 10-year period in Fund history that the Fund did not return at least 5%.



Analysis of results and challenges: The Fund's market value was to \$35.9 billion on 6/30/2008 (after \$1.3 billion dividend payout), down \$1.9 billion from 6/30/2007 ending market value. Fiscal year 2008 will likely be remembered as one of the most challenging years for the world's markets. Widespread problems with subprime mortgages and energy and commodity prices created extremely volatile markets and a total Fund annual return for FY2008 of -3.6%.

The Fund's long-term real rate of return for the period FY1999 - FY2008 was 3.8%. This is the first 10-year period in Fund history that the Fund did not return at least a 5.0% real rate of return. This performance period included this year's challenging markets and the down markets in 2001 - 2003 that resulted from the dot.com collapse. We do not believe that this is a situation where the metrics drive a response because the Fund outperformed its 10-year benchmark and compared well against its peers.

To achieve a target total rate of return, the Board of Trustees manages risk by strategically allocating the Fund among stocks, bonds, real estate, and recently, alternative investments. Different types of assets are influenced differently by factors such as the economic cycle, interest rates, inflation and fiscal policy. A mix of asset types whose returns move out of sync with one another moderates the Fund's total volatility.

Each year the Board fine-tunes its asset allocation to adjust to changes in the long term market environment. Its current goal is to earn 5% over the rate of inflation in the long run.

A1: Strategy - Develop and implement an asset allocation plan that minimizes the risk necessary to achieve the target return

Target #1: The Fund's rate of return meets or exceeds the composite investment performance benchmark adopted by the Board

Status #1: For the 10-year period ended June 30, 2008, the Fund outperformed its benchmark by 0.2%. The Fund's total rate of return for the 10-year period was 6.4% compared to our benchmark of 6.2%. Over the 1-year period ended June 30, 2008, the Fund's performance matched the benchmark performance of -3.6%.

APFC total return versus Benchmark return

Fiscal Year	APFC Return	Benchmark
FY 2008	-3.6%	-3.6%
FY 2007	17.1%	17.1%
FY 2006	11.0%	10.5%
FY 2005	10.4%	10.5%
FY 2004	14.2%	14.1%
FY 2003	4.5%	4.8%
FY 2002	-2.2%	-3.7%
FY 2001	-3.3%	-4.5%

Analysis of results and challenges: The Board of Trustees has set an investment goal of a 5% real rate of return over time. Using data on the past performance of each asset allocation, along with historical volatility, the Board crafts an asset allocation that is expected to provide this return within an acceptable level of risk. The overriding charge is that the Board must, in all of its decisions, apply a level of prudence that is commensurate with that of other institutional investors.

Returns are measured against the asset allocation's benchmark. This is a composite figure comprised of the performance of the underlying markets in which each of the Fund's portfolios is invested, weighted for their allocation within the Fund. Total return by itself is not an accurate measure of the Fund's performance, but should be compared to the benchmark as well, as the benchmark will reflect the market conditions for the period.

Component: APFC Custody and Management Fees**Contribution to Department's Mission**

See Alaska Permanent Fund Corporation Component Narrative Report.

Core Services

- See Alaska Permanent Fund Corporation Component Narrative Report.

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$92,415,000

Personnel:

Full time	0
Part time	0
Total	0